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U.S. TOLD OF VICTORIA'S NUCLEAR-FREE ZONE PLAN

BK090927 Melbourne Overseas Service in English 0830 GMT 9 Jun 82

[Text] The Victorian government has revealed that it told the United States of its plan to ban all nuclear materials from the state before the prime minister, Mr Fraser, was informed. The disclosure is the latest statement in the controversy over the Victorian government's announcement that it intends to proclaim the state a nuclear-free state. This would mean a ban on the entry of most nuclear-powered ships or vessels carrying nuclear weapons.

The state premier, Mr Cain, said today he had explained his government's position some time back to America's Assistant Secretary of State for Asian and Pacific Affairs Mr (Brandt) [name and title as heard]. Mr Cain said Mr (Brandt) had accepted the right of the Victorian government to make the decision and made no suggestion that it could lead to a breakdown of the Anzus treaty--the defense pact linking Australia, New Zealand and the United States.

The prime minister, in an angry reaction to Mr Cain's proposal, said it would jeopardize the Anzus alliance and said he would enquire whether legislation would be necessary to ensure that the federal government's defense responsibilities could not be overridden.

Radio Australia's Canberra office reported late today that the initial advice from the government's legal advisers was that special legislation might be required.

In Brisbane today, the acting premier of Queensland, Mr Sullivan, declared that nuclear-powered warships would be welcomed at Queensland ports.

Amid the row over the Victorian government's plan to ban the entry of nuclear materials, it has been revealed that the port of Sydney has been unofficially closed to nuclear-powered warships since 1976. The new South Wales premier, Mr Wran, has disclosed that in 1976 he effectively turned away a nuclear-powered American warship visiting Australia which wanted to berth in Sydney harbour.

The spokesman for Mr Wran said the premier had written to the United States consulate in Sydney advising that there were no adequate safeguards and saying he'd rather the ship went elsewhere. The spokesman said the American Government had agreed to the request and the situation had not arisen since.

CSO: 4220/68

AUSTRALIA

BRIEFS

NEW TRAINER AIRCRAFT--A contract worth \$36 million, that's about the same in American dollars, has been signed for new trainer aircraft for the Australian Air Force. The trainer plane is to be designed and built by the Australian aircraft consortium made up of the private Commonwealth Aircraft Corporation, Hawker De Havilland and the government aircraft factories. Test flying of the prototype of the new aircraft is expected to begin early in 1985. The air force will eventually take delivery of 69 of the new trainers. [Text] [BK160916 Melbourne Overseas Service in English 0830 GMT 16 Jun 82]

CSO: 4220/68

NETHERLANDS TO PROVIDE FINANCIAL, TECHNICAL AID

Dacca THE BANGLADESH OBSERVER in English 20 May 82 p 1

[Text] The Netherlands government will provide Bangladesh a total of Dfl 105 million (about Taka 88 crore as financial and technical assistance under the Agreed Minutes signed in Dacca on Wednesday says BSS.

The total amount include a partially untied grant of Dfl 82 million (about Taka 69 crore) for financial assistance and untied grant of Dfl 23 million Taka 19 crore) for technical assistance. z SH

An official handout issued in Dacca on Wednesday said the partially untied grant would be used for procurement of goods and services from the Netherlands or from developing countries including Bangladesh. Part of this grant can be allocated to meet local costs. n

The Agreed Minutes were signed on the conclusion of the six day bilateral talks between Bangladesh delegation headed by Mr Shafiul Alam Additional Secretary External Resources Division and The Netherlands delegation headed by Mrs E Badon Ghijben head of the South East Asia Division Directorate for Asia and General Financial Development Cooperation of the Ministry of Foreign Affairs. Bu

The discussions covered the programming and utilisation of funds made available in previous years procedural matters and proposals concerning the bilateral co-operation programme for 1982. The discussions also covered the uncommitted funds for financial cooperation available from allocations of previous years upto an amount of Dfl 11 million Taka 10 crores approximately).

The Dutch assistance will be utilised in the sectors of irrigation, water development and flood control rural development health and family planning construction of fertilizer and food godowns rehabilitation of gas field at Chhatak and installation of gas pipeline between Kailashtila and Chhatak

CSO: 4220/7348

IDA APPROVES CREDIT FOR CHITTAGONG PORT UPLIFT

Dacca THE BANGLADESH OBSERVER in English 20 May 82 pp 1, 12

[Text] International Development Association (IDA), the soft-loan agency of the World Bank announced on Wednesday the approval of a 60 million US dollar credit for Bangladesh for improvement of port facilities.

Port facilities at Chittagong will be expanded with this assistance of an SDR 54 million (worth 60 million US dollars) from the IDA.

A World Bank Press release issued in Dacca says:

Owing to the high occupancy rate of existing berths and the expected growth of traffic, the country's main Port of Chittagong urgently needs increased throughput capacity. The Port has 17 general cargo berths, and several jetties and moorings which handled about 6.7 million tons of cargo in 1979-80.

IDA, the World Bank's Affiliate for Concessionary lending will support a U.S. Dollar 110 million project for constructing two multipurpose berths with facilities to handle increased container traffic and reduce delays at the port. The improvements are expected to cope with growth in general cargo and container traffic through the early 1990s.

The new berths, designed to carry container handling equipment, will be provided with two mobile cranes, fork-lift trucks, and tractor-trailer units construction of back-up facilities including a paved storage area for containers, a container freight station and offices, will be carried out under the project. Additional maintenance facilities will be provided and improvements made to the training institute building.

Technical assistance will be provided by the project to help develop a maintenance programme, train Port workers, develop a longterm programme for the training institute, prepare a manual on container operations, and develop a Port Management Information system.

Previous IDA assistance to Bangladesh's transport sector amounts to US dollar 73.7 million. It has been for highways and inland water transport projects.

The IDA credit for the Chittagong Port is for 50 years including 10 years of grace; it carries no interest but bears a small annual service charge of 0.5 per cent on the undisbursed balances of the credit, and 0.75 per cent on the disbursed balances.

UNICEF REPRESENTATIVE REPORTS NEW AID APPROVED

Dacca THE BANGLADESH TIMES in English 20 May 82 pp 1, 8

[Text] Mr. Uffe Konig, UNICEF Representative in Bangladesh announced in Dacca on Wednesday the approval of 100 million US dollar country programme for Bangladesh by the UNICEF Executive Board.

Addressing a Press conference at the Jatiya Press Club, Mr. Konig said that 100 million dollar assistance--evenly divided between UNICEF general resources and specific purposes contributions--would be spent on 39 projects during next three-and-a-half years beginning from July next. The projects had been worked out by the joint UNICEF-Government Advisory Group he said.

Mr. Konig briefly outlined three main objectives of the next programme which were (a) further development of Government programme in rural primary health care, water supply, and environmental sanitation, primary and non-formal education and social services for children and mothers, (b) to demonstrate the feasibility of basic services development strategy and (c) to strengthen the government's management capabilities to implement its service programmes for disadvantaged children and mothers.

Following are the sectoral allocations from the UNICEF general resources fund: health--US 16.2 million dollars; education--14 million dollars; water and environmental sanitation--10 million dollars; social services--2 million dollars; women's development--0.8 million dollars; nutrition--0.6 million dollars; area development--2.9 million dollars; development activities--0.4 million dollars; project support--2.7 million dollars and disaster relief--0.4 million dollars.

Year-wise allocations from the general resources during 1982-1985 will be as follows: 1982 (six months)--6.8 million dollars; 1983--9.3 million dollar; 1984--12.3 million dollars; 1985--21.6 million dollars.

Under the noted projects, sectoral allocations are: health--6.8 million dollars; education--18.9 million dollars; water and environmental sanitation--32.9 million and nutrition and area development--0.7 million dollars each.

The UNICEF representative said that there was 'strong indication' that the 50 million dollar fund for the noted projects would be raised from various developed nations.

He told a questioner that less than 40 per cent of 6.5 million dollars earmarked for the noted projects could be raised during 1980-82 (till June) period.

Mr. Konig said that about 50 per cent of the 1980-82 81.5 million dollar programme funds for Bangladesh remained unutilised for reasons 'partly external and partly internal.'

He listed three main reasons for the under utilisation of funds which were: (a) premature death of President Zia, presidential election etc which had marked impact on the implementation rate of projects; (b) bureaucratic delay; (c) non-availability of local counterpart funds for the projects. He said that 29 out of 52 projects were implemented 1980-82.

Mr. Konig said that the third country programme for 1982-85 represented a coherent and consistent approach to the major child problem in Bangladesh. The programme reflected a qualitatively improved action programme of services for children in Bangladesh, he said.

UNICEF will provide for use within the programme supplies, equipment transport and cash assistance to a value not exceeding 50 million dollars including freight. In addition UNICEF will seek special funding for noted projects to a value of 50 million dollars.

CSO: 4220/7350

EDITORIAL TELLS PROBLEMS OVER GANGES WATERS

Dacca THE NEW NATION in English 21 May 82 p 5

[Editorial: "Flows of International Rivers and Us"]

[Text] In the just concluded nine-day special session of the government council of the United Nations Environment Programme held in Nairobi, the Bangladesh representative has made a forceful proposal for effective environmental laws to ensure undisturbed flows of international rivers. He made a pointed reference to the fact that the major rivers of Bangladesh originating across the border were subject to pollution besides disruption of water flows in the upper reaches because of diversion and other activities. He rightly stressed that unless immediate attention was given to the problem one-fourth of the country would soon turn into deserts with serious environmental and ecological consequences. There has already been signs of mushrooming desert patches in the Ganges basin in Bangladesh due to tampering with the flow in the upper reaches of this international river which originates in the Himalayas and flows through India and Bangladesh.

Referring to the recent UNEP surveys bearing out the above facts the Bangladesh representative expressed his gratefulness for including our country in the UNEP regional programme to combat desertification caused by upstream diversion of the Ganges. We expect that the UNEP would take up immediate programmes to remedy such situation in our own country and elsewhere arising out of disruption of flows of international rivers by upper riparian.

Unfortunately since the adoption of the Stockholm Plan a decade ago in this respect things have gone worse instead of improving. According to conservative estimates the amount of loss suffered by Bangladesh on economic terms alone during the last seven years due to unilateral withdrawals by India of the Ganges water exceeds Taka forty thousand million. During the six years from 1975-76 to 1980-81 the losses on certain visible accounts stand at more than 29,640 million Taka out of which the agriculture sector alone accounts for Taka 22,060 million. Other visible heads of losses include damage to the intake channel of the Ganges-Kobadak irrigation project, additional transport expenditure due to compulsive changes in routes of cargo vessels, arrangement for alternative sources, of supply of power to industrial units, severe damages done to agriculture and forest wealth. According to knowledgeable sources the total loss sustained due to the harmful effects of Farakka would far surpass 40 thousand million Taka if the figures of 1981-82 are included.

In such an alarming situation Ganges water has literally become a life and death problem for us. While the UNEP and other international agencies should make effective contributions towards mitigation of the gravity of the situation, it calls for immediate political decision of India, the upper riparian, in favour of a just and equitable sharing of this common river. Let us hope that during the ensuing visit of Mr. Narasimha Rao, the Indian External Affairs Minister to this country for talks on bilateral issues, his stance on the question of water sharing will reflect due awareness of the gravity of the situation and genuine desire to solve the problem without any further delay or dilly-dallying.

Let the Gulf War Halt Here and Now

The Secretary General of the Islamic Conference Organisation Mr. Habib Chatti has reportedly told the Reuters that an Islamic peace committee formed by OIC has appealed to both Iraq and Iran to halt the Gulf war before the Holy Muslim month of Ramadan expected to begin on June 22 or 23.

The fratricidal war between the two Muslim neighbour, which broke out in September 1980 is now 20 months' old with neither party in a position to claim decisive victory. The unfortunate war has continued for too long with a colossal loss for both the parties who have by this time almost bled themselves white in economic terms. With occasional and sporadic successes on their score-cards more than offset by subsequent reverses none of them stands to gain. According to some analysts, both would have finished fire on their armour by this time, but for clandestine supply from other interested quarters whose purpose this futile encounter between two muslim neighbours may have served.

Efforts by the OIC members and the non-aligned group to disengage these combatants have so far failed to produce any notable results. Both the parties have stuck to their guns-Iraq claiming full sovereignty over the Shatt al-Arab and Iran insisting on unconditional withdrawal of Iraqi troops from occupied Iranian lands and "punishment of the aggressor" and payment of war reparations.

According to Mr. Habib Chatti, the peace committee which last visited Teheran and Baghdad in April has submitted "constructive proposals which form a sound basis for ending the war." These proposals reportedly call for an Iraqi withdrawal from Iranian territory occupied at the start of the war, stationing of Islamic troops on the joint borders between the two countries and placing the disputed Shatt al-Arab waterway under Islamic control. It appears as a sound formula which should prove acceptable to both the warring nations without any loss of face. Let us hope that both the countries will have the wisdom to take stock of the situation in an objective dispassionate way and call a caveat to this corrosive combat on the basis of such a formula. The interests of their own development as well as the interests of Muslim unity and solidarity in the face of other challenges like the one coming from Israel demand an immediate halt to this long, senseless fighting.

CSO: 4220/7354

EDITORIAL LAUDS PRESIDENT'S SPEECH TO CADETS

Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 5

[Editorial]

[Text]

The need for organized and cohesive armed forces is felt in all countries. The same is felt due to the widening role that the armed forces are called upon to perform. They were called upon to defend the country including its territorial boundaries and national interests as is required at a given point of time. They are also at times called up to perform their patriotic duty in times of crises in national life. Officers and men of the regular forces are as such required to acquire qualities of firmness, discipline and sense of duty through continuous training. And they do acquire those sterling qualities from the beginning of their career.

Addressing the passing-out parade of the commissioning of Gentlemen Cadets of the 6th BMA long course President Mr. Justice Ahsanuddin Chowdhury has identified the need for well-organized and dynamic armed forces in the country. He underscored the utility of professional standards and continuous training for officers and men. The same is needed to enable them to shoulder any responsibility at

any point of time. It is obvious that such training pre-supposes the existence of facilities and services of specialized trainers within the organization. The Bangladesh Military Academy at the picturesque environment of the sea-side hills at Chittagong offered an ideal environment for continuous training. Efforts have to be made to ensure all-round growth and development of Gentlemen Cadets who enter the Academy at an early age and to inculcate in them the spirit of sacrifice and service so that they can shoulder responsibilities in the different stages of their career.

The President urged the cadets in their passing-out parade that they should work shoulder to shoulder with the people and do so with a sense of patriotism and firm conviction of self-determination. He also expressed his satisfaction over the firm character of soldiers and their faith in Almighty Allah. It is the character that enables our officers and men to work for the defence of the country as well as for national emergencies. Under the current dispensation they

have pledged also to uproot corruption from various walks of life in a society that has for long been exploited by the vested interests. It is expected that in the coming days they will prove their mettle in shouldering the responsibilities of the government and in furthering the cause of the common people through adoption of appropriate programme of development.

The welcome changes that have occurred in the country and their result over the past one month and a half have earned the armed forces the gratitude of the people. They have kept the interest of the general masses above every thing else and built an image of being bold, straightforward and objective in making decisions and their implementation. The President expressed his confidence that the armed forces 'are capable of facing any challenge'. We share the views expressed by the President and hope that in future the patriotic armed forces of the country will come to the rescue of the nation in all situations calling for service and sacrifice on any scale.

CSO: 4220/7352

DECREASE IN IMPORTS REPORTED OVER 9 MONTHS

Dacca THE BANGLADESH OBSERVER in English 19 May 82 pp 1, 9

[Text] The Import Bill during the first nine months of the current fiscal year totalled about Taka 1500 crore against the total allocation of Taka 2950 crore laid out in the import policy.

The export earning during the same period amounted to a little over Taka 900 crore, falling short of the target by Taka 600 crore approximately.

The major factors which accounted for the slack in import were non-availability of required funds, squeeze in bank credit, higher prices abroad and lesser local demands. Right from the beginning of the current fiscal year, the banks offered less margins to the tradesmen against their letter of credits (LD) and the subsequent curtailing of credit resulted in the slump.

According to importers of the private sector, there has been a sharp fall in demand of commodities locally which might have resulted from limited buyers capacity of the consumers. Tariff anomalies with frequent imposition of higher customs duty and sale tax left the businessmen with little or not profit margin. Thus discouraged by the adverse factors, tradesmen had few imports to their account. The Import Permit (IP) rates of foreign currencies dropped drastically to nearly the same level of the official rates due to the sharp fall in import by the private sector.

Continuing recession in the world market and related discrepancies marked the impending shortfall of export earnings. During the last fiscal year, the price of goods in the foreign market dropped by 7.52 per cent and the loss as such was Tk. 210 crore in consideration to the volume of export. According to an official source, more exports worth Taka 400 crore, at the maximum were on the pipeline in addition to the existing export earnings.

The Export Promotion Council (EPC) in its sixth meeting held on June, 1981, had proposed an export target of Taka 1325 in view of the world-wide recession, which they termed as realistic.

CSO: 4220/7345

EDITORIAL DEPLORES GROWING TRADE IMBALANCE

Dacca THE NEW NATION in English 20 May 82 p 5

[Editorial]

[Text] Ten years ago, on March 2, 1972, the first ever economic agreement was signed between the USSR and the People's Republic of Bangladesh under which this republic was granted a state credit amounting to about US \$60 million to be used to put the Ghorasal Thermal Power Station (110 MW) into operation, to complete the electric equipment plant (GEM plant) in Chittagong, build a medium-wave radio station and conduct geological prospecting for oil and gas.

But in fact, the USSR has been rendering Bangladesh from the very first days of its emergence comprehensive aid, economic and technical assistance chiefly in its production sector including rehabilitation and development of merchant fleet and deep-sea fishing, railway transport, communication, power sector, training of specialists as well as restoring normal conditions for navigation in Chittagong port.

Since then economic as well as trade relations between the two countries have been growing successfully under various agreements signed by Moscow and Dacca in subsequent years.

Recently an accord to the effect that Bangladesh Power Development Board (BPDB) would receive Soviet-aid worth 74 million dollars for the construction of the 3rd stage of Ghorasal TPS, was signed in Moscow between the BPDB and V/ Technopromexport. Under the agreement Technopromexport will supply all equipment and materials necessary to complete the project of 210 MW units of the third stage. The project is scheduled to be completed by June 1987. With the completion of the third stage, the capacity of Ghorasal TPS will rise to 530 MW, being one of the most powerful station in the country.

The GEM plant in Chittagong was commissioned on 26th September 1978 and was inaugurated by the late President of Bangladesh Mr. Ziaur Rahman. It is a quite modern and versatile plant with annual capacity of 10,000 tons of electrotechnical items like power transformers of upto 10,000 KVA, lightning arresters and disconnectors, high-voltage safety fuses, etc. needed by this country's economy. Upto now over 4,000 transformers of various capacity have been produced and are successfully utilized in different fields of Bangladesh economy. This plant is gaining momentum to turn out in the nearest future a leading producer of electrotechnical items. Bangladesh will not only become self-sufficient in their production but will also have some surplus for export.

Soviet Union rendered technical and other assistance in the prospecting for and exploration of oil and gas. With participation of Soviet experts three gas wells have yielded commercial flow of gas at Semutang, Begumganj and Feni.

On March 31, 1972 the governments of the USSR and Bangladesh signed Trade Agreement on the basis of which trade cooperation between the two countries has been developing successfully for last ten years. During this period, the turnover of goods in the trade between the two countries has increased from 24 to 80 million dollars, that is, 3 fold.

CSO: 4220/7351

FERTILIZER SHORTFALL AFFECTS FARM PRODUCTION

Dacca THE NEW NATION in English 20 May 82 pp 1, 8

[Text] Fertilizer supply to farmers this year fell far short of the Government projection. This has affected agricultural production adversely.

BADC which is solely responsible for procurement and supply of fertilizer registered the July-April off take at 7.15 lakh tons against the original target of 12 lakh tons. The target was, however, later revised to 9.8 lakh tons [word illegible] which is not likely to be reached by the end of the fiscal year in June.

Again, of the total off-take from BADC godowns a substantial chunk of fertilizer is learnt to have been smuggled out across the border.

The shortfall in the supply was attributed to non-availability, high price and bad weather.

An official source, however, said fertilizer demand corresponds positively to other input demand situation. Shortfall in providing other inputs had direct implication on the shortfall in fertilizer demand.

An acute scarcity in fertilizer supply was experienced during the early part of this year because of major mechanical troubles in the Zia Fertilizer Factory immediately after its commissioning.

The fertilizer price was officially raised again in December last by an weighted average of about 24 per cent, and by nearly 165 per cent since 1974-75, Official rate of urea price was gradually raised to Tk. 132 per maund this year from Tk. 50 in 1974-75.

The price at the farmer's level was, however, much higher when it is required most. During the early stage of Irri-Boro and potato cultivation, urea price had shot up to Tk. 175 per maund.

Officials said the original fertilizer distribution programme was trimmed to 9.8 lakh tons in view of the critical shortage of urea following frequent suspension of production at Ghorashal Fertilizer Factory and delay in starting production in the Zia Fertilizer Factory at Ashuganj.

Meanwhile, an agricultural expert opined that 75 per cent of the fertilizer applied in our soil go waste. He said soil tests in the recent past showed high doses of fertilizers were not absorbed in our soil.

He said crop plants receive 90 per cent of food from the atmosphere and only 10 per cent from the soil. Fertilizers used for meeting the soil deficiencies should be applied after proper test of the soil. That will save huge fertilizers now being used haphazardly.

Citing an example, the expert said such a soil test was done some time ago at a remote village in Faridpur district when even an excessive dose of fertilizer failed to give a desired crop yield. The test revealed deficiency of zinc in the soil. Following that application of zinc gave tremendous result.

He said in agriculturally developed countries, fertilizers are used after proper test of the soil. In our country also this should be practised to ensure appropriate application of fertilizer, the expert added.

CSO: 4220/7351

GOVERNMENT ESTIMATES ON EXPORT, IMPORT TOLD

Dacca THE NEW NATION in English 20 May 82 pp 1, 8

[Article by Hasan Saeed]

[Text] Government is likely to fix a target of 2,840 million dollar imports for the fiscal year 1982-83.

In real terms it would be only five per cent increase over the current year imports which is estimated at 2,500 million dollars.

On the other hand the export earning is likely to increase to 745 million dollars in 1982-83 from an estimated 650 million dollars during the current year.

According to government estimates, this minimum level of imports would be essential to utilise domestic capacities, to maintain flow of essential consumer goods, to replenish depleted inventory of key commodities and to achieve a modest growth in the level of investment which has been declining over past two years.

Most of the finances earmarked for the imports would be eaten up by petroleum and petroleum products, foodgrain and fertilizer. Quite a sizable sum would be needed for imports of cotton, cement, and edible oil.

A sum of over 392 million dollars would be needed for imports of crude petroleum while for petroleum products the amount would be around 226 million dollars.

On the foodgrain front the imports may reach a figure of 308 million dollars for import of atleast 1.3 million tons of wheat and rice. The import requirement for the next fiscal year based on a normative target of 15.5 oz per capita daily consumption comes to about 1.9 million tons.

Import of fertilizer would cost the government at least 93 million dollars. Import requirement of fertilizer is projected at 350,000 tons compared to 461,000 tons in 1981-82. This is based on a 15 percent increase in domestic production to 1.15 million tons. Nearly all the requirement of urea will be met from domestic supply and the gap in respect of TSP and DAP and MP will be met from imports.

The government is likely to earmark 708 million dollars for capital goods which will represent 18 per cent increase in nominal terms over the level of 1981-82.

Imports of petroleum both crude and products may cost the government around 658 million dollars. This would mean only three per cent increase in the consumption.

Government's hope for increase in the exports is based on the likely recovery of demands for major export commodities stemming mainly from a possible upturn in the economies of the developed countries. In addition, further increase in the export volume of jute goods, tea, leather, frozen fish and other non-traditional items were expected during the fiscal year 1982-83.

A tentative projection of exports for the next fiscal year prepared in March showed that government hoped to earn 355 million dollars from the sale of jute goods, 124 millions from raw jute, 66 millions from leather, 48 millions from tea. Export of fish shrimps and frog legs was likely to fetch 56 million with naptha and furnace oil export bring 45 million dollars.

CSO: 4220/7351

BRIEFS

NEW PAKISTAN ENVOY--Government of Pakistan has appointed Mr. Tanvir Ahmad Khan as its Ambassador to Bangladesh it was officially announced in Dacca on Tuesday night reports BSS. Born in 1932 Mr. Khan joined Foreign Service of Pakistan in 1965 and served on various diplomatic assignments in Pakistan Missions abroad. He has been serving as Director General in the Ministry of Foreign Affairs Government of Pakistan since May 1979. He is married. [Dacca THE BANGLADESH OBSERVER in English 19 May 82 p 1]

JUTE TO DPRK--Bangladesh Jute Mills Corporation has signed a contract with the Democratic Republic of Korea recently for export of jute goods worth Taka one crore 66 lakh. General Manager (Marketing) of BJMC and Commercial Councillor of the Embassy of DPRK signed the contract, says a Press release. [Dacca THE BANGLADESH OBSERVER in English 19 May 82 p 8]

ECONOMIC COUNCIL RECONSTITUTED--The Government has reconstituted the Executive Committee of the National Economic Council (ECNEC) with the Adviser incharge of the Ministry of Finance as its Chairman. Other members of the ECNEC are: Adviser incharge of the Ministry of Industries, Adviser incharge of the Ministry of Works and Adviser incharge of the concerned Ministry. The terms of reference and procedure for approval of projects by the ECNEC will remain unchanged. [Dacca THE BANGLADESH TIMES in English 19 May 82 p 1]

GROUP TRAVEL REGULATIONS--The External Resources Division of the Ministry of Finance will henceforth not consider any proposal from other Ministries relating to study tours and group visits for funding from donor agencies unless these are covered by protocol agreement or under standing. A circular issued by ERD on May 4 has noted that proposals forwarded to it by various Ministries and Divisions are not covered by any protocol agreement or understanding. There may be exceptions to such cases provided such proposals are convincingly justified. The circular has also requested the Ministries and Division to have all proposals on visits abroad cleared by the respective Adviser in charge before forwarding it to the ERD. The final decision on trips abroad by government officials and personnel of autonomous and semi-autonomous bodies will, however be given by the CMLA's Secretariat. The circular also said once a group visit or study tour is organised on lined up by the ERD it shall be the responsibility of all concerned Ministries and Division to obtain final clearance from the CMLA or an officer authorised by him. [Dacca THE BANGLADESH OBSERVER in English 20 May 82 p 1]

AMBASSADOR TO YUGOSLAVIA--The Government has decided to appoint Mr A K M Nazrul Islam at present Bangladesh Ambassador to Pakistan as Ambassador to the Socialist Federal Republic of Yugoslavia, according to a PID handout. [Dacca THE BANGLADESH OBSERVER in English 20 May 82 p 1]

PRC PRESS TEAM--The five-members Chinese Press delegation led by Mr. Jiang Yuanchun called on the Chief Martial Law Administrator, Lt. Gen. H.M. Ershad in Dacca on Thursday, says BSS. Welcoming the Chinese journalists Gen. Ershad described the existing friendly ties between Bangladesh and China as excellent. Talking informally the CMLA informed the Chinese delegation of the measures taken by the present Government for the welfare of the people. The leader of the Chinese team appreciated various steps, the new Government is taking to solve the pressing problems including food and population explosion. He particularly lauded the planned administrative re-organisation which envisages the administration to the villages. Mr. Chun hoped that exchange of ideas and experiences between the two countries on agriculture and population control will help ease these problems. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 1]

FOREIGN DEBT PAYMENTS--Bangladesh has so far repaid 631 million US dollar out of the outstanding debt of 3512 million US dollar. Out of this amount US dollar 2702 million was the interest while US dollar 360.8 million is the principal amount. Debt service expenditure was US dollar 17.5 million in 1973-74 fiscal year. The expenditure is automatically increasing. The maximum amount was paid in 1979-80 fiscal year. Bangladesh had repaid US dollar 108 million during the year. The margin of debt service will considerably increase when repayment of loans with ten years grace period become due. The grace period of most of the foreign loans will expire in 1984. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 1]

EXPORT EARNINGS--The export earnings of Bangladesh could not even reach the level of 1968-69 till 1976-77 in terms of US dollar. The export earnings of the then East Pakistan in 1968-69 was 532 million U.S. dollar. The export earnings of Bangladesh reached 535 million U.S. dollar merely three million more in 1977-78, almost a decade since 1968-69. The export earning in 1972-73 was 343 million U.S. dollar in '73-'74, 355 million U.S. dollar in '74-'75, 367 million U.S. dollar in '75-'76 and 406 million U.S. dollar in '76-77. The export earnings in 1978-79 was 598 million U.S. dollar, 749 million U.S. dollar in '79-'80. The export earnings in 1980-'81 dropped down to 708 million U.S. dollar which was 41 million U.S. dollar less than the previous year's earning. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 1]

NEW AUSTRALIAN ENVOY--CANBERRA, May 20--The Australian Government has appointed Dr. Ian Mitchell as its new High Commissioner to Bangladesh, Acting Foreign Minister Dame Margaret Guilfoyle announced here today, reports AFP. The Acting Minister also drew attention to Australia's long-standing links with Bangladesh. [Dacca THE BANGLADESH OBSERVER in English 21 May 82 p 12]

CSO: 4220/7353

BRIEFS

COMBAT NEWS FROM SHAN, KACHIN--On 4 and 17 April, small units of the People's Army made three attacks on the enemy at Wan Ta-pe camp and at Wan Kiao in Mong Lin field. Fifteen enemy soldiers--six mercenaries from the 5th rifles regiment and nine military government defense volunteers--were killed in the attack. A total of 22 enemy soldiers, including four defense volunteers, were also taken prisoner. A total of 14 firearms--6 carbines, 1 G-2, 1 G-4, 3 M-16's, 1 M-1, 1 rifle and another gun--were also seized from the enemy. On 18 April, the People's Army clashed three times with the enemy in Mong Yawng region, killing seven enemy soldiers and wounding five others. On 9 and 14 May, small units of the People's Army blew up and destroyed two bridges--one between (Theikdi) and (Kye-u), and another between (Kye-u) and (Nankalat)--which the military government's mercenary army was using. On 15 May, mines planted by a small unit of the People's Army on Sadon-Waingmaw Road, east of Myitkyina, killed four enemy soldiers and wounded two others from the military government's mercenary 2d Chin rifles regiment. One vehicle belonging to the enemy was also destroyed. [Text] [BK071414 (Clandestine) Voice of the People of Burma in Burmese to Burma 1200 GMT 7 Jun 82]

AMBASSADOR TO LPDR--The Ministry of Foreign Affairs announced on 4 June that the president of the Socialist Republic of the Union of Burma [SRUB] has appointed U Kyaw Thant, ambassador extraordinary and plenipotentiary of the SRUB to the Socialist Republic of Vietnam, concurrently as ambassador extraordinary and plenipotentiary of the SRUB to the Lao People's Democratic Republic. [Text] [BK091119 Rangoon Domestic Service in Burmese 0630 GMT 4 Jun 82]

INDUSTRIAL CROPS DEVELOPMENT PROJECT--The industrial crops development project is to be implemented by the Agriculture Corporation under the Ministry of Agriculture and Forests with assistance of the United Nations development program and the Food and Agriculture Organization. The industrial crops development project is aimed at strengthening the cotton, jute and sugarcane cultivation in accordance with the agricultural development project of the fourth 4-year plan. The UNDP contribution for the projects is U.S.\$1.84 million and the Burmese Government will contribute kyat 11.31 million for the project. An agreement to this effect was signed recently between the Burmese Government and the FAO. The project will cover programs including sugarcane development, jute improvement technology, cotton seed processing and quality control, procurement of equipment for farm development as well as applied research, seed grain multiplication, field demonstrations, pilot scheme extensions and training of personnel. [BK101227 Rangoon Domestic Service in Burmese 1330 GMT 9 Jun 82]

SRI LANKAN ENVOY--The government of the Socialist Republic of the Union of Burma [SRUB] has agreed to the appointment of Mr Don Piyadasa Wijenarayana as ambassador extraordinary and plenipotentiary of the Democratic Socialist Republic of Sri Lanka to the SRUB in succession to His Excellency Mr Arthur Basnayake. [Excerpt] [BK031309 Rangoon WORKING PEOPLE'S DAILY in English 25 May 82 p 1]

CSO: 4220/68

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INDIA-PRC TALKS AT IMPASSE, WORKING GROUPS PROGRESS

Madras THE HINDU in English 21 May 82 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, May 20.

The Sino-Indian official-level talks concluded here today with "wide differences" still persisting over the border dispute despite continued efforts to "narrow" them down to a "commonly agreed basis" for negotiating a settlement.

An Indian spokesman said at the end of these talks, without going into the details of these discussions, that the two sides had "addressed themselves to the key aspects of the boundary question and specifically focussed on the considerable differences between them".

It was decided to continue these efforts at another meeting in Beijing in due course. The dates would be decided later according to mutual convenience.

The spokesman said that, during the three-day talks in Delhi, each side presented its "ideas on the principles and methods that should guide the search for a solution". The intention was to reach a commonly-agreed basis for dealing with the differences in all sectors of the border in their search for a mutually acceptable solution.

Integral solution

There were differences of opinion, the spokesman added, in every sector of the border and, if a settlement had to be reached in its entirety, all these differences would have to be resolved as part of an integral solution. The two sides recognised, he stressed, that a border settlement was central to Sino-Indian relations and as such they should make every possible effort to resolve it through peaceful negotiations.

The talks were "free, frank and wide-ranging" and held in a "friendly and cordial atmosphere". The fact that the differences were still wide did not deter them from agreeing to continue their efforts to find an ultimate solution. But otherwise, neither the Indian nor the Chinese delegation disclosed how close they came to discussing their respective approaches to the border problem.

Bilateral cooperation

But the other working groups dealing with economic and trade matters, scientific and technological issues and cultural exchanges made considerable progress in evolving a broad framework for bilateral cooperation. The understanding arrived at for establishing and intensifying contacts in these spheres was highlighted as positive evidence of the mutual desire for better relations.

It was agreed that India would send to China in the near future, oil, railway and agricultural delegations, while Chinese delegations would pay reciprocal visits in the coming months to study scientific advances in different fields like wheat breeding and dairy development. There would be similar cooperation in lacquer industry through exchange of expert delegations.

Cultural cooperation: The cultural cooperation envisaged by the two sides during these talks included exchange of dance troupes, radio and television material, film festivals and academic exchanges. But no agreed programme emerged from these talks for commencing such exchanges in different spheres in the near future.

During the discussions on the border question, the Chinese side was quite firm that the dispute could be settled only on the basis of the existing realities along the entire line. The Indian contention was that any attempt to settle the problem in its entirety must take into account the existence of differences in all the sectors, which meant that there could be no package settlement involving one-sided concessions.

No substantive issues now

The stage was not reached for coming to grips with the substantive aspects of the problem or even exchanging views on the nature or extent of differences. The Indian spokesman put it rather colourfully to drive home his point that the two sides got nowhere near a meaningful discussion on how to resolve the border problem. He said the solution lay at the centre of a maze and the negotiators skirting around it found no way of getting

to the centre.

The leader of the Chinese delegation, Mr. Fu Hao, who called on the External Affairs Minister, Mr. P. V. Narasimha Rao, this morning after the concluding plenary session, renewed the invitation to him to pay a visit to China at his convenience. The Secretary in the External Affairs Ministry, Mr. Eric Gonsalves, who has been heading the Indian delegation, was also present when they had a brief discussion on the outcome of the talks on the border problem.

CSO: 4220/7358

PRC FOR CLOSER TRADE TIES, TECHNOLOGY EXCHANGE

Madras THE HINDU in English 22 May 82 p 6

[Text]

NEW DELHI, May 21.

Beijing's interest in forging trade and economic ties and sharing of knowledge and experience in the field of science and technology was conveyed by one of the members of the visiting Chinese delegation, Mr. Wang Zhixi of the Ministry of Foreign Economic Relations and Trade when he met representatives of the Federation of Indian Chambers of Commerce and Industry (FICCI) here on Thursday.

A FICCI spokesman quoted Mr. Zhixi as saying that exchange of technology would be useful and China would like to benefit from Indian advanced technology in certain areas besides sharing its own experience with India in areas where China had superior technology.

Scientists for China: Mr. Zhixi also told FICCI that an Indian team of scientists and technologists would visit China soon for exploring technology for petroleum. A proposal for sharing technology in respect of biogas was under consideration.

Enquiries in official circles show that during the just-concluded talks, the Chinese delegation mooted the idea of a visit of an Indian S and T team to China for exploring the possibilities of cooperation in select areas including petroleum, biogas and medical

sciences. The delegation felt that both countries could benefit from exchange of information on technology, which each had developed. For instance, in biogas, China had of late been feeling that the Indian model was better than its own model. Already, there had been exchanges of individual scientists in different areas, but the Chinese delegation felt it would be more fruitful if a team of scientists visited China.

Economic ties: As regards economic ties Mr. Zhixi told FICCI that the two countries should come closer.

The FICCI president, Mr. G. K. Devarajulu, indicated the possibility of export to China of a wide range of items, including power equipment, agricultural machinery, rice milling machinery, sugar machinery, textile machinery, scooters and earthmoving equipment, heavy machinery, sugar, finished leather, etc., in addition to traditional items like cotton, iron and steel, barley and unmanufactured tobacco.

Mr. Devarajulu pointed out that in the international market the two countries were competing with each other in several identical items and suggested that arrangements could be devised to coordinate their activities to mutual benefit. He also said India would be interested in importing from China silk, chemicals, non-ferrous metals, mercury, etc.

CSO: 4220/7362

G. K. REDDY TELLS PURPOSE, DETAILS OF ARAFAT VISIT

Madras THE HINDU in English 22 May 82 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, May 21.

The Chairman of the Palestine Liberation Organisation (PLO), Mr. Yasser Arafat, arrived today on a three-day visit amidst security precautions never before witnessed here on such a large scale.

After the recent aircrash in which the Algerian Foreign Minister, Mr. Mohammed Benyahia, died in mysterious circumstances in Northern Iran, the Arab leaders had been extremely security-conscious — and much more so, in the case of Mr. Arafat.

He is paying a second visit to India in the last two years from the time India recognised the PLO in April 1980. He has come for wide-ranging talks with the Prime Minister, Mrs. Indira Gandhi, on the explosive situation developing in Lebanon, where as many as four Israeli divisions are reported to have been massed for an attack on the PLO strong points.

The PLO is now recognised by more than 100 countries and it has offices in as many as 90 countries, not only in Asia and Africa, but also in Latin America and Europe.

Unquestioned leader: As the unquestioned leader of the Palestinian people, Mr. Arafat has emerged as one of the most important personalities in the Arab world. His militancy has lately mellowed and the Arabs everywhere now accept him as a moderate statesman, destined to play an important role in shaping their future.

The PLO leader is particularly interested in establishing closer understanding with India to project himself as a centrist-statesman, whose only ambition is to secure justice for the Palestinian people, not to topple or destabilise the feudal regimes in the Arab world by preaching Islamic radicalism. It is not without significance that he has played a key role behind the scenes in paving the way for better Indo-Saudi relations.

Logical follow-up: It is in this context that India has been attaching considerable importance to developing relationship with the PLO as a logical follow-up of its consistent support to the cause of the Palestinian people. The Government of India has been working in close concert with the PLO in exploring the possibilities of ending the Iraq-Iran conflict, besides campaigning against the Israeli annexa-

tion of the Golan Heights in open violation of the U.N. resolutions.

The Prime Minister, Mrs. Indira Gandhi, and the External Affairs Minister, Mr. P. V. Narasimha Rao, will have wide-ranging discussions with Mr. Arafat on West Asian developments. He is accompanied by a high-power delegation which includes Mr. Farouk Khaddoumi, Head of the Political Department, who functions as Foreign Minister of the PLO, and Mr. Yasser Abid Rabuh, a member of the PLO Executive Committee.

Secret flight: After a secret flight to Dhahran in Saudi Arabia from Beirut in the Lebanon last night, Mr. Arafat and his colleagues flew by a Saudi executive jet to Delhi, arriving four-and-a-half hours behind schedule. During his stop-over in Dhahran, the PLO chief conferred with the Saudi leaders on the latest situation in the Lebanon.

The Prime Minister was told of the delay in Mr. Arafat's arrival this morning, but all others including Cabinet Ministers, Arab heads of missions, Members of Parliament and Service Chiefs came to know of it only after their arrival at the airport. Mr. Arafat was received by the Prime Minister with all the State ceremonial that is laid on for a visiting Head of State, although the President was not present.

Meets Mrs. Gandhi: Mr. Arafat met Mrs. Gandhi for 75 minutes without any aides and acquainted her with the explosive situation in West Asia, while Mr. Khaddoumi and Mr. Rabuh had separate discussions with Mr. Narasimha Rao, External Affairs Minister and other officials on other issues. The talks will be continued tomorrow when the two sides will have more detailed exchanges on Indo-Arab relations.

The Government is treating Mr. Arafat's visit for protocol purposes, as a visit by a head of government. So, the Prime Minister hosted the banquet in his honour tonight. He lunched with the External Affairs Minister, before paying a courtesy call on the President and attending a joint reception by various organisations supporting the struggle of the Palestinians.

After concluding his talks in Delhi, Mr. Arafat is scheduled to pay a visit to Hyderabad to receive an honorary doctorate. But his programme is subject to last-minute changes.

FINANCE MINISTER SPEAKS ON PUBLIC SECTOR PERFORMANCE

Calcutta THE STATESMAN in English 21 May 82 p 6

[Text]

NEW DELHI, May 20.—The public sector made a net profit of over Rs 400 crores in 1981-82, thereby reversing the trend of continuing losses for four years. As a percentage of capital employed, its gross profit increased from 7.8% to 11.6% in 1981-82.

This was announced today by Mr Pranab Mukherjee, Minister for Finance, at the inaugural session of the coordination committee on production and productivity in public enterprises. A sample study of 101 private sector companies had shown that the profitability ratio of this group was 11.4% in 1980-81, he said.

"This only highlights the point that given the direction, political will and the support in the form of improved infrastructural facilities, the public sector can, and indeed has given a better account of itself", Mr Mukherjee said.

A review carried out by the Bureau of Public Enterprises indicates that production and capacity utilization has improved by about 9% to 10% in 1981-82 as compared with the previous year in a number of sectors like saleable steel, coal, lignite, petroleum crude, aluminium, cement, fertilizers, petro-chemicals and railway coaches.

Mr Mukherjee said it was essential also to recognize that there were a number of enterprises and units in each cognate group where the levels of capacity utilization continued to be low. A number of units in fertilizer, non-ferrous metals, minerals, chemicals and pharmaceuticals, heavy engineering and ship-building sectors continued to perform at a low level of capacity utilization.

On the profitability side, out of 169 enterprises, 70 are reported to have incurred net loss last year. While 1981-82 has been one of improved performance by the public enterprises as a whole, there were still a number of areas where performance had fallen short of expectations, Mr Mukherjee said.

The Minister stressed the importance of "critical linkages" between one cognate group and the other in the family of public enterprises. Steel production was linked to coal availability. Movement of steel products was dependent on wagon availability. "These linkages are well known. One set of activity impinges on the other. There is clear need for greater interactions between and among the groups of enterprises" he said.

CSO: 4220/7357

OUTPUT AND EXPORTS OF MACHINE TOOL PRODUCTS UP

Bombay THE TIMES OF INDIA in English 21 May 82 p 10

[Text]

BOMBAY, May 20: The output of machine tool products, including metal cutting and metal forming machine tools, other metal working machinery, machine tool accessories, small and cutting tools, measuring testing equipment, in 1981 was Rs. 277 crores, according to the Indian Machine Tool Manufacturers' Association. The data is based on the returns received from 174 manufacturing units. The output marks a rise of 25 per cent over 1980 when the production was Rs. 221 crores.

The increase in production has been shared by metal cutting and metal forming machine tools (Rs. 146.42 crores), welding and plastic machinery, die casting machines, machine tool accessories and tools (Rs. 79.76 crores) and small and cutting tools, testing and measuring equipment (Rs. 50.49 crores).

The production of the first two groups was Rs. 226 crores, which has surpassed the target of Rs. 203 crores for the year.

It is estimated that due to increase in the cost of raw materials, power, fuel and the general inflationary trend, prices of machine tools increased by about 10 per cent. In spite of this inflationary trend, the machine tool industry has been able to maintain a reasonably high growth rate. Some major user industries like automobile and automobile ancillary,

heavy electricals, railway and defence workshops have undertaken expansion and modernisation generating a fairly high level of demand for machine tools.

According to the data compiled by IMTMA from the returns received from 83 member-firms, the export of machine tool products during the year was Rs. 23.25 crores against Rs. 20.85 crores in 1980. Thus, there was a growth of 12 per cent in 1981.

Metal cutting and metal forming machine tools accounted for Rs. 14.64 crores, welding machines and equipment, plastic machinery, die-casting machines, machine tool accessories, electric and pneumatic tools etc. Rs. 4.14 crores, and small and cutting tools, testing and measuring equipment Rs. 4.48 crores.

There was an increase in the export of lathes, drilling machines, bending and folding machines. Export of the other machine tool items remained at the same level.

Another feature of the export performance is that the machine tool products are now exported to a larger number of countries. These include industrially-advanced countries like USA, USSR, West Germany, Nigeria, Japan, Canada and UK. The total number of countries to which machine tool products were exported in 1981 was 79.

CSO: 4220/7355

INTEREST IN PURCHASE OF U.S. FIGHTER PLANE REPORTED

Bombay THE TIMES OF INDIA in English 22 May 82 pp 1, 9

[Article by J. N. Parimoo]

[Text] WASHINGTON, May 21. Pro-Pakistan generals in the Pentagon and a section of senior bureaucrats in the Reagan administration are opposed to the offer made to India by the California-based company, Northrop, "to sell and also co-produce" the fighter aircraft F-5C.

A senior executive Northrop is expected to visit Delhi soon for discussions with Indian Air Force officers.

The military aircraft, F-5C, named Tigershark by the company, is a tactical air defence fighter. It is an advanced version of the F-5E, which Northrop is already co-producing in Taiwan.

The Tigershark flies at twice the speed of sound. The company claims that it is a high performance aircraft "that accelerates faster, turns faster and climbs faster than the F-5E."

A senior executive of the company claimed that the Tigershark's 1:14 combat thrust to weight ratio, its unrestricted handling qualities and innovative design changes "give it the capability to defeat projected enemy threats through the 1990s."

The first Tigersharks are now in production at the Northrop company's aircraft division in California. The first flight of the plane would be held in September this year and a spokesman of the company claimed that the plane, "equipped with 24-hour avionics and capable of round-the-clock tactical air defence will be available for delivery in July, 1984."

The Northrop offer to India was made more than two months ago. It was cleared by the state department and the White House despite opposition from the Pentagon.

It is for the first time in the history of Indo-U.S. relations that an American company has been allowed to offer not only to sell military aircraft to the Indian Air Force but also to co-produce them in India.

As part of its offer to India, Northrop has undertaken to enter into a trilateral arrangement to sell India-produced planes in third countries in order to earn foreign exchange for India and thus make it economically viable for India to co-produce the plane.

Northrop became notorious in the sixties for pay-offs and bribes that it was believed to have given to influential people and agents around the world, particularly in some West Asian countries, in order to promote the sale of its aircraft.

The pay-off scandal, which received the maximum attention in and outside the U.S. (a book, "Arms Bazaar," has also been written on the subject by Anthony Simon) resulted in the shake-up of its top management. The new management is believed to have given up the old practices.

In Taiwan, the company is facing rough weather because it has not been allowed by the Reagan administration to produce a more advanced aircraft in collaboration with the Taiwanese.

At present, the company is manufacturing in Taiwan F-5E fighters at the rate of two planes a day, but more than 80 per cent of the plane's equipments are being produced in California.

From May 1, this year, Northrop has been facing a problem. It has no orders for the F-5Es that it is producing in Taiwan. In deference to the Chinese opposition to any rearming of Taiwan, the Reagan administration has not allowed Northrop to upgrade its Taiwanese co-production project.

The American company is, therefore, on the look-out for a market, a country that will have the capability to co-produce the more sophisticated F-5G and also needing a large number of these planes. Northrop executives believe that India is one such country, and perhaps the only such country in Asia.

The American arms sales system is somewhat complex. Even though the state department has permitted Northrop to make a "presentation" to India the permission by itself does not represent any commitment from the U.S. government.

The sale of military aircraft and any co-production arrangement has to be on a government-to-government basis. A Northrop executive said: "We have received permission to sell the plane to 40 countries, including India and Pakistan."

The executive, however, did not disclose the details of the offer or the percentage of the parts of the plane that India would be asked to make under the co-production arrangement.

Even though the present negotiations are at best a sales inquiry, there are reasons to believe that once Northrop, which wields considerable influence in the White House, reaches an understanding with IAF officers, the rest of the job will be easy.

The air at the White House is much clearer than it has been. But there are some Congressmen and senators for whom the word India is like the red rag to the bull and then there is Pakistan ever willing and ready to stoke anti-India fires in Washington.

An agreement on F-5Gs or a declaration of intent on the sale and co-production of these planes may form part of the package that is being wrapped up for the visit of Mrs. Indira Gandhi now scheduled for July 29.

CSO: 4220/7360

INDIA

BRIEFS

UNDP TECHNICAL AID--NEW YORK, May 20 (UNI)--India is expected to receive 252 million dollars worth of technical assistance over the next five years from the United Nations Development Programme, according to a UNDP release. Ear-markings include: 55 million dollars for industry and minerals; 53 million dollars for energy and science and technology; 51 million dollars for agriculture; 33 million dollars for education; and 18 million dollars for communications. [Text] [Bombay THE TIMES OF INDIA in English 21 May 82 p 15]

ENVOY TO NETHERLANDS--NEW DELHI, May 20--Mrs. Soonu Kochar, till recently Ambassador to Fiji, has been appointed Ambassador to the Netherlands. She succeeds Miss C. B. Muthamma. Mr. L. L. Mehrotra, Ambassador to Argentina, has been concurrently accredited as Ambassador to Paraguay with residence in Buenos Aires. [Text] [Madras THE HINDU in English 21 May 82 p 9]

AMBASSADOR TO PORTUGAL--NEW DELHI, May 21 (PTI)--Mr. Sudarshan Kumar Bhutani, officer on special duty in the ministry of external affairs, has been appointed ambassador to Portugal in succession to Mr. Avadhuth Raoji Kakodkar. [Text] [Bombay THE TIMES OF INDIA in English 22 May 82 p 15]

SUGAR EXPORT QUOTA--LONDON, May 21--Producers in the International Sugar Organisation have agreed to allow India to export up to 700,000 tonnes of raw sugar this year, instead of its quota of 388,924 tonnes. At its meeting here yesterday the organisation said the relief was to compensate India for the drought years of 1980 and 1981 when its exports were hit severely. The producers have also agreed to leave sugar export quotas for the 1983 and 1984 sugar years unchanged from 1982. [Text] [Madras THE HINDU in English 22 May 82 p 9]

INDO-SOVIET SATELLITE COOPERATION--NEW DELHI, May 22 (UNI)--India will launch the remote sensing satellite (IRS) during the mid-eighties from the Soviet Union. An agreement to this effect was signed between the Soviet government and the Indian department of space in Moscow on Thursday, according to official reports received here. The remote sensing satellite forms an important part of the Indian space programme in the eighties. The Indian-built satellite will be launched from a Soviet cosmodrome to serve the needs of national resources management in India. [Text] [Bombay THE TIMES OF INDIA in English 23 May 82 p 8]

TAX ACCORD WITH LIBYA--India and Libya have exchanged documents on avoidance of double taxation. These were exchanged in the Libyan capital, Tripoli. The Indian ambassador A.C. Asrani signed the document on behalf of India. [Text] [BK031245 Delhi Domestic Service in English 0240 GMT 3 Jun 82]

ENVOY TO NORWAY--Hardev Bhalla presented his credentials as ambassador of India to Norway to King Olav V. on 2 June at Oslo. [Excerpt] [BK031524 Delhi ISI Diplomatic Information Service in English 1440 GMT 3 Jun 82]

CSO: 4220/7427

TAX PAYMENTS, RICE SALES TO STATE REPORTED IN MEDIA

[The following information is extracted from Vientiane press reports on the dates indicated in the parentheses following each entry in the remarks column. SP=SIANG PASASON; VM=VIENTIANE MAI; KPL=KHAOSAN PATHET LAO; BQ=BULLETIN QUOTIDIEN]

<u>Location</u>	<u>Remarks</u>
Khammouan Province	A total of more than 6,000 tons of rice has been paid in taxes or sold or exchanged for goods with the state (SP 20 May 82 p 1)
Phon Hong, Vientiane Province	From 1 Jan to 30 April, farmers have sold 312 tons of rice to state (VM 20 May 82 p 1)
Sanakam, Vientiane Province	In only 1 month people have sold or exchanged for goods over 720 tons of rice to state (VM 20 May 82 p 1)
Champassak Province	From Jan to April 82 people have paid as tax or sold to state 13,296 tons of rice. The taxes paid at the beginning of the year were 5,686 tons (SP 18 May 82 p 1)
Savannakhet Province	In first quarter of 1982 the Trade Corporation and the Association for the Purchase and Exchange of Rice of Savannakhet Province has collected more than 7,320 tons. Of that the Provincial Trade Corporation collected more than 5,110 tons. Collections were better than any other year because prices had been adjusted to reflect actual conditions and because materials needed and wanted by the people were sent for exchange and purchase. Private sector organizations loyal to the revolution were utilized in collection and exchange with benefits accruing to both state and private sector. (KPL 18 May 82 p A 5)

Nationwide

Campaign to sell rice to state has yielded 42,374 tons. This figure includes both sales and exchanges for goods. Provincial totals as follows: Vientiane 10,089 tons; Khammouan 2,926 tons; Savannakhet 7,817 tons; Champassak 7,449 tons; Saravane 3,432 tons; Attapeu 367 tons; Phong Saly 562 tons; Oudomsai 2,200 tons; Louang Namtha 435 tons; Luang Prabang 3,113 tons; Houa Phan 2,087 tons; Xieng Khouang 1,314 tons; Sayaboury 583 tons. (SP 27 May 82 pp 1,4)

Paksan District, Vientiane

As of 15 May district farmers have paid 496 tons of rice as tax to state (SP 25 May 82 pp 1,4)

Savannakhet Province

Of the 12,080 tons of rice sold to the state, 6,600 tons was rice that was exchanged for goods (KPL 20 May 82 p A 6)

CSO: 4206/56

STATUS OF RELIGION, YOUTH UNION, MARKETS IN LUANG PRABANG NOTED

Vientiane NOUM LAO in Lao 1-15 Mar 82 pp 7, 8, 21

[Journal by Comrade Fai]

[Excerpts] The representatives of the Lao People's Revolutionary Youth Union arrived at Luang Prabang not long before the end of the Buddhist Lent.

On the clean road wet from rain and along the fence at Phousi Hotel, some 20 Buddhist monks and young Buddhist novices who have been receiving alms and offerings are closing up their black umbrellas.

The market in Luang Prabang has been crowded since dawn. Within the provincial area is where people of different races and ethnic groups live. For those who live off their own sweat, the market is a place to display their wide-ranging productivity. This can ease their hardship fairly well.

Luang Prabang is a mountainous province, and 95 percent of its people engage in shifting cultivation. The total population is 67,960 [people] (34,057 women). Of these 7,520 are members of the Lao People's Revolutionary Youth Union (3,246 women).

We reached Meuang Khai Canton at the time when the youth were picking peanuts on the youth peanut collective farm. We were served plenty of alcohol and roasted peanuts. At the same time the people of Meuang Khai Canton were enjoying their annual festival after the Basi well-wishing ceremony and dances on the occasion of a farewell party for over 70 of their offspring who will voluntarily serve the nation as soldiers.

Before and after the Luang Prabang Youth Union Congress, the Luang Prabang youth have united themselves, scoring many outstanding achievements. For example, they have enthusiastically cleaned the town, roads, and public places, and have formed volunteer units to cut wood for telephone poles. In doing this job, the provincial youth had contracts with the postal service, and were able to raise as much as 30,000 kip for their own organization.

The Xieng Ngeun Youth volunteered 800 labor units to transport agricultural rice taxes, and 8,000 kg of rice. Three hundred and fifty people dug a 50-meter long irrigation ditch. Meanwhile, the Lao People's Revolutionary Youth Union gained a new group of 52 members, and the December Second Youth Group gained 65 more members. In terms of the addition of new members, it was a quite active movement. There are hundreds of new members over the whole province. The most outstanding unit was the Provincial Education Service which gained 214 members (99 women)! Besides the jobs mentioned above, there are also the construction and repair of dams and communications routes, increasing cultivation and husbandry, etc. The outstanding groups concerning the change and progress of this historic congress are the youths from units within the province, such as Xieng Ngeun District, Phonsai District, Pak-Ou District, Nan District, Ngoi District, etc.

9884

CSO: 4206/48

BENEFITS OF AGRICULTURAL COOPERATIVE MEMBERSHIP NOTED

Cash Income

Vientiane VIENTIANE MAI in Lao 15 Apr 82 p 1

[Excerpt] Last 11 April, the agricultural cooperative unit of Ban Mai Sivilai, subordinate to Tha Deua Canton, Hatsaifong District, enthusiastically held a ceremony on the occasion of its annual report.

In the ceremony, the representative of the board of directors read the annual report for last year, as follows. The total membership of the agricultural cooperative unit is 21 families, with a total of 66 worker members, 42 primary workers, including 20 women. They were able to clear 4 and 1/2 hectares of new rice fields using 25 draft animals. The average income of each cooperative family member was 20,000 kip. In 1981 the average cash income calculated as rice was 488 kilograms of rice per family.

At the same time, this agricultural cooperative unit was able to accumulate 624 kilograms of paddy rice, 66 kilograms of mung beans, and 27,000 kip cash. They were also able to put up a club building.

Vientiane Co-op Productivity

Vientiane SIANG PASASON in Lao 15 Apr 82 p 2

[Excerpt] Speaking of an expanded and firmly based agricultural cooperative unit, we can never forget the one in Ban Dong Phosi, Hatsaifong District, Vientiane Province. Its rice production has increased every year, and the average income rate per capita has also increased. For example, in the beginning of 1982 the dry season rice field harvest is expected to be at the desired level, i.e., 3,000 kilograms per hectare. The average production obtained by the co-op members last year was 400-900 kilograms per person. This means that they were able to have enough food supplies for their needs, and could also fulfill their obligations to the government. For example, in 1980 they paid over approximately 1,520 kilograms of agricultural taxes to the government. They sold and exchanged over 10 tons to the government. In 1981 for rice agricultural taxes alone

the amount of 1445 kilograms was paid. Meanwhile, in order to raise the level of rice production, the Dong Phosi agricultural co-op members worked together to clear 15 more hectares for dry season rice fields, and to mobilize an improved family economy.

Sayaboury Cooperative

Vientiane SIANG PASASON in Lao 13 Apr 82 p 2

[Excerpt] Ban Somsavan is a fertile land in the south of Phiang District, Sayaboury Province. Its total of 67 families, 473 people, consists of different races, such as the Leu, Black Thai, etc.

Its people have clearly expressed their awakening and have voluntarily joined the agricultural cooperative organization in order to have socialist style collective living. The organization was formed on 7 May 1977 and was officially designated on 28 June 1978.

The total rice field area is 74.20 hectares. The agricultural area within the village totals 150 hectares. The 150 hectares of agricultural area was never able to yield as high as 1.5 tons of rice per hectare on the average. Later in 1980-1981 this area was studied and the strengths of intensive agriculture were emphasized. This made the rice production that year over 207 tons, which was 2.8 tons per hectare on the average. After agricultural taxes, seed rice, accumulated rice, policy rice, and other expenses, each member received a net amount of rice on the average of 594 kilograms per person. At the same time, the agricultural collective investment consisted of seven buffalos, accumulated rice, materials used in different areas of production, and some cash. All these were valued at 71,506 kip. From the time of that good production until now, the Somsavan co-op has invested in buying tractor(s), chemical fertilizer, insecticides, spraying equipment, and a number of [other] indispensable materials.

With determination to score achievements in order to greet the Third Congress of the Lao People's Revolutionary Party that will soon open, along with the rice production that was more than was needed for consumption in houses, 60 tons of extra rice were sold to the government. Also, the outstanding activity of the Somsavan agricultural co-op right now is the construction of collective shops, mobilization to repair broken dams, and planting 500 kilograms of seed garlic per hectare.

9884

CSO: 4206/48

MALAYSIA

BRIEFS

MAHATHIR SPEECH AT WEST SAMOAN DINNER--Datuk Sri Dr Mahathir Mohamed says developing countries should work together if they wish to uplift the standard of living of their people. The prime minister is sure that if developing countries, like Malaysia and Western Samoa, work together they will gain in terms of a more stable economy and a stronger voice in world affairs, especially in matters affecting them. He was speaking at a dinner given by Western Samoan Prime Minister Vaai Kolone in Apia last night. Datuk Sri Dr Mahathir also said that Malaysia had embarked on a modest program of technical cooperation, especially geared toward helping countries within the region. There were many areas of cooperation which could be explored and mutual expertise and experience fit to better use. [Text] [BK090911 Kuala Lumpur International Service in English 0800 GMT 9 Jun 82]

DEPUTY DEFENSE MINISTER ENDS BANGKOK VISIT--Malaysia and Thailand can benefit from closer cooperation between their armed services. This is particularly so in the sharing of training facilities and use of common equipment. The deputy minister of defense, Datuk Abang Abu Bakar, expressed this view at the end of a 5-day visit to Bangkok. He said changes in the region's strategic environment demanded greater flexibility and closer bilateral cooperation. The common items of equipment used by the two countries could form the basis for joint programs, while the cost of training soldiers abroad could be reduced by sharing training facilities. [Text] [BK111412 Kuala Lumpur International Service in English 0600 GMT 11 Jun 82]

CSO: 4220/68

NEPAL

BRIEFS

AMBASSADOR TO GDR--Royal Nepalese Ambassador Narendra Bikram Shaha presented letters of credence to Eric Honecker, chairman of the Council of State of the GDR in Berlin on 28 May. [BK091125 Katmandu THE RISING NEPAL in English 1 Jun 82 p 1]

PAKISTAN ENVOY--M. Abul Fazl has been appointed as ambassador of Pakistan to Nepal. [BK091125 Katmandu THE RISING NEPAL in English 31 May 82 p 1]

FOODGRAIN RESERVE--Nepal's foodgrain position in the last fiscal year stood at a reserve of 348.7 metric tons, reports RSS. According to statistics from the National Planning Commission, the country produced 2,409.3 metric tons of foodgrain in the period while the domestic requirement was 2,060.6 metric tons. However it will be a challenge to the Nepalese economy to continue keeping Nepal's foodgrain in reserve in view of the country's growing population needs. It is, however, hoped that Nepal's foodgrain position will continue to be in the reserve if the programmes aimed at boosting agriculture production are successfully implemented. [Text] [BK091125 Katmandu THE RISING NEPAL in English 30 May 82 p 1]

CSO: 4220/69

ANNUAL BUDGET FOR 1982-83 ANNOUNCED

BK150614 Karachi Domestic Service in English 1700 GMT 14 Jun 82

[Excerpt] Announcing the budger over the radio and television network, Finance Minister Ghulan Ishaq Kahn said that additional measures would be taken next year with the ultimate objective of establishing an Islamic economic system in the country. The most significant among these is the introduction of Usher [Islamic Agricultural Produce Tax] which would be levied from Rabi 1982-83 compulsorily, but on a self-assessment basis.

Usher will be charged and collected from the agricultural produce of the land of a landowner, grantee, allottee [words indistinct] and landholder at a rate of 5 percent of his share of the produce, an Usher-Guzar [payee] will reduce his crop value by up to 25 percent as cost of production allowance. Exemptions would also be available for those who follow any of the recognized Fiqah [Islamic jurisprudence] and file a declaration claiming that his fiqah does not oblige him to pay the whole or any part of Usher in the manner prescribed under the law. No land revenue will be levied on land on the produce of which Usher or contribution in lieu thereof has been charged on a compulsory basis.

A sum of 10 million rupees has been provided in the next year's budget for a comprehensive program of dawat to (?spread) the message of Islam. The [word indistinct] fund is being increased three-fold.

The finance minister said it has been decided that for government servants in grade 1 to 20 and equivalent the existing dearness allowance will be replaced by a dearness allowance at the rate of 35 percent of their basic pay subject to the condition that under this dispensation no employee would get an additional amount of less than 50 rupees or more than 200 rupees per month over his entitlement on the basis of the existing dearness allowance. This enhanced rate of dearness allowance will also be admissible to employees in equivalent grade in the public sector corporations, autonomous and semi-autonomous bodies including banks and financial institutions, subject to the same general conditions as were applicable in the case of dearness allowance last year. In the case of those employees who are governed by the provisions of the industrial relations ordinance 1969, the dearness allowance will be admissible subject to the condition that the period of at least 1 year has

elapsed from the date of effectiveness of the agreement, award or settlement of new ordinance.

It has also been decided that house-rent allowance at the rate of 20 percent of the minimum of relevant national pay scale will also be allowed to government servants [words indistinct] level. It has been decided to allow pensioners a further dearness allowance increase at the rate of 10 percent of their gross pension subject to the maximum of 200 rupees per month. The measures to provide relief to the salaried class would cost the government 2.48 billion rupees.

Recounting the measures for relief in the industrial field, the finance minister said the locally-made engineering goods supplied to organizations and projects entitled to duty free or concessional imports have also been extended the facility of reclaiming the custom duties and customs as admissible for exports.

The engineering units providing complete or near-complete industrial plants manufactured against confirmed order from abroad shall be eligible for customs duty free import of specified quantities of raw materials and components for execution of such export orders. Goods, tools and dies required by the engineering industry have been exempted from import duties. The benefit of 20 percent concessional rate of duty has been allowed on import of billets for manufacture of wire rods. Customs duty has been substantially reduced on soda ash, soyabean [words indistinct] for replacement purposes. A 5 percent surcharge on [word indistinct] values has been levied on all imports except the accompanied baggage and post parcels.

In order to avoid any adverse effect on exports the incidence of the surcharge on the cost of raw materials would be [word indistinct] for exports. To protect the metal industry customs duty has been increased on natural graphites from 30 to 40 percent, on carbon paper sheets from 50 to 70 percent, (?duplex) board from 50 percent to 4,000 rupees per metric ton, [word indistinct] books from 50 percent to 85 percent, mill and boring machines from 40 percent to 85 percent and cement from 20 percent to 25 percent. [long passage indistinct]

Duty on all components of audio cassettes has been levied at the rate of 120 percent customs duty plus 20 percent sales tax. All audio cassettes recorded or blank will be liable to duty at 10 percent per cassette. The levy of sales tax for import of primary and secondary plastic material has been rationalized. The 10 percent sale tax has now been made measurable on secondary state-plastic material instead of primary state raw material for plastic goods. All air conditioning plants and operational equipment imported by some hospitals, clinic and nursing homes having a minimum capacity of 25 beds has been exempted from customs duty. [passage indistinct]

It has been decided to increase the monetary limit of [words indistinct] for the cottage industry exemption from 50,000 rupees to 100,000 rupees to encourage the cottage industry, sales tax has been withdrawn on a number of goods being produced within the country. These are wallcloth, welding

electrodes, insecticides and pesticides for household use and naphthalene balls. Imported methanon will be exempt from sales tax. Cottage industries exemptions available to the manufacturers of gas operated appliances, sanitary wares and foam and foam products have been withdrawn due to its disorganizing impact on the manufacturers in the organized sector.

Referring to direct taxes, the finance minister said under the finance [word indistinct] will be entitled to initial depreciation of 40 percent. [sentence indistinct] Exemption of the dividend distributed by the company set up between July 1977 to June 1982 has been extended to companies set up before 30 June 1983. Exemptions to bonus shares issued by a company which was expiring on 30 June 1982 has been extended up to 30 June 1983. For the purpose of levy of surcharge of 10 percent taxable limit in the case of individual taxpayer has been raised from 50,000 rupees to 100,000 rupees. [sentence indistinct]

The monetary limit of investment for the purpose of tax rebate has been raised from 35,000 rupees to 60,000 rupees. The self-assessment scheme will remain in its liberal form intact for the year 1982-83 except for some minor modifications. Gift tax will not be charged if one residential house is gifted to its [word indistinct]. This facility can be availed once in a life time.

Gross revenue receipts for the fiscal year 1982-83 are estimated at 57.18 billion rupees, representing an increase of 6.29 billion rupees over the revised estimate for 1981-82, net revenue collection, after allowing for transfer of 9.98 billion rupees to provinces, is set at 47.21 billion rupees.

Earlier the cabinet, meeting in Rawalpindi under the chairmanship of the president, approved the budget [passage omitted].

CSO: 4220/72

SOCIAL, POLITICAL PROBLEMS IN KARACHI DISCUSSED

Lahore NAWA-I-WAQT in Urdu 24 Apr 82 p 2

[Article by Ilyas Shakir: "Karachi: Though Situated By the Ocean, Karachi's Water is Distributed by Quota"]

[Text] The advent of summer signals the scarcity of water in Karachi. The problem has progressed from people's bathrooms to every drop of water they drink. Jobs used to be allocated under a quota system; now matters have reached a point where even drinking water is distributed by quotas. Water has become Karachi's most serious problem. It is interesting that the inhabitants of this cosmopolitan city on the ocean go to bed thirsty at night. The "eagles" of Iqbal's poems, who were supposed to be waging war on the side of truth against falsehood, are now seen squabbling over a pail of water. The city residents complain that the water situation became critical after a new department was formed to oversee its distribution. The people are calling the city's Water Management Board, the Board for murder by thirst. The city residents want to know when these experiments, in which they are the guinea pigs, will end. Even as we write these lines, a glass of brackish, tasteless water sits on our table where there should have been a glass of sweet-tasting water. In the meantime, millions of gallons of river Sind's fresh water are allowed to go to waste by flowing into the ocean.

Factions In the M. R. D. [Movement for the Restoration of Democracy]

A new political group, M. R. D., formed to end political factionalism, is itself falling victim to divisions. Informed sources call it M. R. D's "Class differences." The first group within the M. R. D. is wealthy; lives in houses with wide lawns, and drives late model cars. The members of this group are the leaders who will profit from the restoration of the '73 democratic constitution and elections. Some of these leaders have resources enough to buy assembly seats. They do not fight the battle of democracy themselves, but sit back comfortably and wait for results.

The other group in the M. R. D. is composed of the middle and lower middle classes. The majority are progressive youths, who take a beating and go on fighting for democracy. They drive old cars or have no cars at all. They themselves say that their fight is with both the provincial powers and M. R. D.'s powerful leadership. These factions within the M. R. D. have brought the political alliance

to the brink of failure. The two M. R. D. groups in Karachi are composed of the following leaders: Sardar Sherbaz Khan Mazari; Begum Nusrat Bhutto; Abid Zuberi; Ghulam Mustafa Jatoi; Musheer Pesh Imam and Khwaja Khairud Din (are in the first group). The other group is composed of Qari Sher Afzal; Fatehyab Ali Khan; Nafees Siddiqui; Zainul Abidin; Alam-bardar Haidar and Iqbal Haidar. It is not possible to say at this time as to where this internal struggle and factionalism within the M. R. D. will take it. The old leaders' opinion regarding the newly emerging leadership is that it is an outgrowth of the situation. The new elements are saying that the real leadership belongs to the individual who has inherited limitless land and a ready-made constituency. In fact, a struggle between the right and left wings is taking place within the M. R. D.

Karachi is the birthplace of M. R. D.; and the situation here today would convince even a person of ordinary intelligence that M. R. D. is beginning to appear more and more as a stagnant alliance. M. R. D. leaders decided to observe Friday, 16 April as "Aqsa Day." According to the announcement, protest meetings were to be held in different mosques in the city at which M. R. D. leaders were to speak. In view of the political status of mosques in Pakistan's history, it was feared that there might be trouble.

M. R. D's leaders were scheduled to speak at the mosque of a five-star hotel near the United States' consulate. To make the occasion more interesting, a large number of police were present, together with the Deputy Commissioner of S. D. M., S. P. and D. S. P. But not a single M. R. D. leader appeared to utter even a word about the first Muslim Qibla [the direction in which prayers are said]. The mosque's Pesh Imam, [leader of prayers], Maulana Siraj, waited until 4 o'clock for the M. R. D. leaders. Finally he called Qari Sher Afzal at his house on the hotel telephone, and had a long fight with him. We will not comment on this matter; since nothing happened, there is nothing to comment about.

Nabi Baksh Zuhri's White Tie

One leader of the defunct Jive Pakistan party and an old Muslim League member connected with Baluchistan, Nabi Baksh Zuhri, has declared that at the present time, there is great need for a good understanding between the government and politicians; and he has offered himself as the referee. As a preliminary step, he has taken to wearing white ties. Addressing a press conference, he said that a tie has the same significance here as a white flag on the battlefield.

Zuhri supported the proposal that more provinces be created, and expressed the view that 11 to 17 new provinces should be carved out. He said that the suggestion for creating new provinces does not imply that 'one unit' is being set up under a new name. He thought that the new conditions demanded such a measure. Since the present provinces were created during British rule, conditions and administrative needs had changed in numerous ways. It was necessary, therefore, to make various changes.

When the name of former president Agha Mohammed Yahya Khan was mentioned in the press conference, Zuhri said that he did not see him after he [Yahya Khan] was paralyzed, but that he would have been proud to have visited him during his

illness. As the press conference was ending, he remarked: "The man is dead; how can I express an opinion about him? Do you gentlemen expect me to go to his grave and dig up his body?" Answering a final question about Mercury Awards, he said that he did not know about the Mercury Awards business, but came to know of it only after the event, otherwise he also would have done something. He said that an award that was given to everybody could not have much value.

Concerning Nafees Siddiqui

Nafees Siddiqui has nowadays become the all-in-all of the defunct Tahrik-e Istiqlal. Conditions are such that the big players on the political front are out, so the small ones are becoming important. Nafees Siddiqui has taken to making political prophesies. After reviewing the country's economy, he expressed the opinion that if the price of agricultural implements and fertilizer continued to increase at the present rate, by 1983 the price of flour would rise to between 100 and 200 rupees a maund. He considered the present crisis in the dollar and the Pakistan currency as a matter for concern, and said that in the next six months, the value of the Pakistani rupee would fall an abnormal 32 percent. After expressing these views, he expressed pleasure that the "situation" was becoming favorable for starting a movement against the government. While making these statements, he showed that he was a true politician who is pleased, not concerned, at the prospect that the problems the people are encountering will make them rise up and make sacrifices to bring about a change.

9863

CSO: 4203/118

BALUCHISTAN WILL NOT BE AN EASY TARGET FOR COMMUNISM

Lahore NAWA-I WAQT in Urdu 24 Apr 82 p 2

[Article by Aziz Bhatti: "Letter From Quetta: What Is Happening In Baluchistan Province; Islam Has Become a Part Of the Culture In Pushtun And Baluch Societies"]

[Text] The picture of conditions in the province of Baluchistan as projected in the Western press is not a true one. Either because of ignorance, or else knowingly to serve their own special interests, the Western press is showing a negative side; and our own national press is also failing to present the positive side.

Although Baluchistan has always been important because of its geographical situation, this importance has increased since the establishment of Russian control over Afghanistan. Our enemies, our ignorant friends and enemies in the guise of friends are trying to use Baluchistan to create doubts and mistrust in world opinion and among the inhabitants of the other areas of Pakistan; and some national elements, whether knowingly or not, are getting involved in the game. Though not unique in this respect, Pakistan is one of the few countries whose national integrity and survival is always reputed to be in danger. What is the reason for this? For how long will we continue to play the game of foreign interests in our country? When will the doubts and misgivings about the permanence of our national integrity be ended? Not only the government, but the entire nation should ask itself whether we will have to fight for a new Pakistan all over again?

If this should happen, then such a battle would not take place in the military or political arena, but on a psychological level. It is necessary to start a movement to create an atmosphere of confidence and to lay to rest forever all fears about the country's survival and integrity. When this happens, political and psychological contacts and currents will stay within the country's geographical boundaries and the force which, knowingly or unknowingly, creates an atmosphere of fear will be ended. This force has been encouraged by certain weaknesses and shortcomings to gain strength up to now, and the situation provokes the question as to whether, if political liberties are restored, positive political forces will be able to withstand negative and misleading political forces. If the answer should be in the negative, then the country's interests demand that before political freedom is restored, positive political forces be

strengthened. The authorities and the national press bear a heavy responsibility in this respect. The intangible pressure, by means of which certain elements are trying to make others ineffectual and weak in order to make themselves indispensable need attention.

What is encouraging those who play politics with racial and linguistic prejudices is the fact that no effective antidote is being offered to these slogans. The fact of the matter is that Baluchistan does not constitute a single racial or linguistic entity. It is composed of several racial and linguistic units which will never coalesce politically. The slogans of those using the political ploy of race and language are based purely on politics. Some of them talk of "provincial autonomy," while others assume that the slogan of "provincial autonomy" implies a "Free Baluchistan."

The slogan of "Free Baluchistan" is similar to what the slogan of Pakhtunistan used to be at one time; that slogan has now been rendered ineffective circumstance. The slogan of a "Free Pakhtunistan" used to be more attractive to its adherents than is the slogan of "Free Baluchistan" because the people inhabiting the area from Chaman to Chitral spoke one language, and the area itself was contiguous to a country whose people were related to them by race and language, and whose government backed the "Pakhtunistan" stunt openly. The Baluchis have no such relationships. In the whole of Baluchistan, there are not even a handful of Pushtuns who openly support a "Free Baluchistan."

In the past, those elements who now speak ambiguously or openly of "Free Baluchistan" had backed the shouters for "Pakhtunistan." These same elements now regard the Pushtuns, who comprise about half of the population of Baluchistan, as the greatest obstacle to the achievement of their slogan's goal. The Pushtuns, whose eyes have been opened by conditions in Afghanistan, now constitute what can be considered as a strong wall in the north of Baluchistan. Those who wish to look beyond this wall will have to tear it down first. If a similar strong wall should be erected on the shores of Makran, then the shout of "Free Baluchistan" would become an empty echo in a domed vault.

Informed persons do not believe that Russia will attack Baluchistan in the near future, or that its tanks and ships will reach the shores of Makran. Russia will not cross the "Durand Line" itself nor send Afghanistan to do it; and there are several reasons for this. One of the reasons may be that after the Russian control of Afghanistan, Pakistan has assumed the status of a buffer state. The countries on the other side of Pakistan do not want Russia to knock on their doors.

Thus, under the present changed political conditions in the world, Russia will not use Pakistan as a corridor to a warm water port. Russia will of course continue to use its agents to create trouble and difficulties within Pakistan, especially in Baluchistan. Communism cannot enter Pakistan through the door, but will infiltrate through the chinks and fissures around the door; through the holes in the walls and the breaches in the ramparts--if we should cease to be vigilant. One reason for this is that Islam has been absorbed into the culture of the Pushtuns and the Baluch. An open revolt, deviation from or repudiation of Islam is totally inconceivable. Centuries ago, when the British established control over the area, they thought that the Brahui speaking area

would be receptive to the propagation of Christianity, and started activity with great enthusiasm. But they did not succeed in converting even a single person. The ties with Islam have become even stronger since then. It would be, thus, a mistake to think that the people of Baluchistan will accept "Communism." As far as the Pushtuns' attachment to Islam is concerned, the fighting in Afghanistan is a living testimony of that.

The British conquered Quetta in 1877, and their conquests extended to other areas of Baluchistan. The Brahui speaking people were more backward, hence the British thought them a promising target for the propagation of Christianity. A representative of the "British and Foreign Bible Society," T.J.L. Mayer, worked for many years among the Brahuīs with this purpose in mind, and published a book in three volumes entitled "Brahui Reading Book" written in the Roman script. It was published in Ludhiana in 1906. On the last page of each volume the following sentence is printed: "This book is dedicated to those followers of Jesus Christ who will enjoy the great blessing of converting the Brahuīs to Christianity in the near future." This dream was not realized, and by the grace of God, will never be realized in the future.

9863

CSO: 4203/118

GDP GROWTH EXPECTED TO SURPASS 6 PERCENT

BK121045 Karachi Domestic Service in English 1005 GMT 12 Jun 82

[Text] The growth in gross domestic product [GDP] is expected to surpass 6 percent for the fifth successive year as a result of continuation this year of the process of economic revival and financial discipline which characterized economic policies since 1977. This has been stated in the Pakistan Economic Survey for the fiscal year 1981-82 released in Islamabad today. It mainly focuses on major growth trends and salient policy measures taken during the course of the year in the background of the recent past. The survey also contains a comprehensive series of the economic indicators covering major fields of the economy. The growth in GDP, which had been estimated as 6.6 percent on the basis of wheat crop of 11.75 million tons, was now estimated to exceed even if the wheat harvest hit by excessive rains and storms last month turns out to be lower than last year.

CSO: 4220/72

ECONOMIC SURVEY FOR 1981-82

GF171115 Karachi DAWN in English 13 Jun 82, pp 1, 12

[Text] Islamabad, June 12: The gross domestic product [GDP] for the fiscal year 1981-82 has been estimated to exceed 6 percent compared to 6.1 percent in 1980-81 even if the wheat harvest "turns out to be lower than last year."

Disclosing this, the Pakistan Economic Survey 1981-82, issued here today, conceded that the wheat crop of 11.75 million tonnes on the basis of which the GDP for 1981-82 was estimated to grow at 6.6 percent now "appears to be in doubt."

Like last year, sectors other than agriculture and manufacturing contributed more than 50 percent to the GDP in 1981-82 while agriculture contributed 30.1 percent as against 30.8 percent last year, and the manufacturing sector 17 percent against 16.2 percent in 1980-81.

The manufacturing sector has excelled not only the last year's growth but also the plan target for the year. This sector with a 12.1 percent growth claims a share of 17.0 percent of GDP. The large-scale manufacture is estimated to have grown by 14 percent, a considerably higher increase compared to 11.0 percent recorded in 1980-81.

This pronounced increase in the large-scale manufacturing sector is said to have emanated mainly from the large increase in the output of sugar, urea, ammonium nitrate, nitrophosphate, cement and jute goods.

According to the survey, the gross national product at constant factor has expanded at a rate of 5.9 percent during the year, higher than the increase of 5.1 percent recorded last year.

Nevertheless, the document agreed that GNP's growth was lower than that in GDP and their differential was due "to lower growth in remittances from Pakistanis abroad."

The document also conceded that during the year the export growth momentum was "temporarily" reversed and tax receipts fell below budget provisions.

Agriculture subsectors have recorded varying growth rates with major crops showing a growth rate of 4.1 percent against 4.2 percent of last year, minor crops 3.1 percent against 1.9 last year and others including livestock, fishing and forestry 4.4 percent against 4.5 percent of last year.

Electricity and gas distribution has recorded a growth rate of 110 percent, wholesale and retail trade 7.7 percent, transport, storage and communication 6.4 percent, banking and insurance 4.4 percent, ownership of dwellings 3.6 percent, public administration and defence 2.0 percent and services sector 5.7 percent.

In the mineral sector the production of gas registered a rise of 8.6 percent to 6.84 billion cubic metres during July-March 1981-82 over the level of 6.0 billion cubic metres during the corresponding period last year. The improvement was due largely to increase in demand and use of natural gas for domestic consumption and for commercial and industrial purposes.

The production of crude oil increased by 1.9 percent to 2.75 million barrels during July-March 1981-82 from 2.70 million barrels during the corresponding period last year, excepting Mayal, all other oil-wells experienced a decline in production during July-March 1981-82.

The coal production has shown an increase of 10.4 percent to 1,236 thousand tonnes during July-March 1981-82 from 1,120 thousand tonnes during the same period last year. This was due mainly to the increased demand of coal from the brick kilns which consume over 90 percent of the output.

A sum of RS. 1,711.9 [as published] million showing a rise of 153.2 percent over last year's revised estimates of RS. 67.9 million has been allocated for the development of mineral sector during 1981-82.

Monetary assets during the first nine months of the current fiscal year grew at 8.0 percent recording an expansion of RS. 8,308 million, according to the Pakistan Economic Survey for the fiscal year 1981-82, released today.

The outstanding level of monetary assets stood at RS. 112,305 million as on March 25, 1982, up from the level of RS. 103,997 million as in June 1981.

During the corresponding period last year the monetary assets recorded an expansion of RS. 9,074 million (10.02 percent).

The expansion of overall money supply for the current year has been targeted at RS. 15,826 million, a 15.22 percent increase over last year.

An analysis of the causative factors of changes in monetary assets revealed that a lower monetary expansion during the current year was due to large draw down on foreign assets (net). As a matter of fact, there was a bigger expansion in credit utilisation by the private sector which together with credit expansion in the public sector enterprises and government sector exercised a credit expansion of 15,557 million compared with RS. 9,942 million during the corresponding period last year.

The increase in credit was offset by RS. 2,582 million contraction in other items so that the net domestic credit expansion amounted to RS. 12,975 million, a 12.88 percent increase during June 26, 1981, to March 25, 1982, as compared to RS. 8,766 million (10.04 percent) in the corresponding period last year.

After adjustment of bigger contraction of RS. 4,667 million in foreign assets (net), the overall expansion in monetary assets remained at RS. 8,308 million during the current year as compared with an expansion of 9,074 million during the corresponding period last year.

The sectoral breakup showed that the government sector brought about a credit expansion of 9.11 percent during June 26, 1981--March 25, 1982, as compared to 7.85 percent during the corresponding period last year.

Bank borrowings in the government sector for budgetary support was higher at 10.53 percent as compared to 8.0 percent in the corresponding period last year.

Bank credit for financing commodity operations stood a bit lower at 3.37 percent as compared with 6.95 percent in the corresponding period last year, which is attributable to larger releases and lower stocks of wheat, fertilisers and seeds.

The current fiscal year witnessed a substantial increase in bank credit in the private sector proper compared to the last year and appears to be due to the fact that firstly the current year has recorded better food and cash crops requiring higher bank financing for their handling and movement and secondly, substantial credit appears to be held up due to lower movement of many exportable commodities owing to sluggishness in their international demand.

Other items including longterm foreign borrowings and counterpart funds exerted a contractionary impact of RS. 2,582 million during the current year as compared with that of RS. 1,176 million during the corresponding period last year.

Claiming that the pace of inflation has slowed down discernibly during the current year, the Pakistani Economic Survey 1981-82 stated that the pattern of general retail prices manifested an increase of 7.0 during July-March 1981-82 compared to 10.6 percent recorded during the corresponding period last year.

The rate of increase in consumer prices also slackened to 7.7 in the first nine months of 1981-82 compared to 12 percent during the same period last year.

The increase in wholesale price index came down to 3.6 percent during July-March 1981-82 from 10.5 percent in the corresponding period last year.

The consumer food price index increased by 10.2 percent during July-March 1981-82 against 13.2 percent during the corresponding period last year.

The food group has a weightage of 54 percent in the consumer items. There has, however, occurred sharp decline in the consumer price index of apparel, textiles, footwear from 11.1 percent in July-March 1980-81 to 3.1 percent during the same period in 1981-82, This group has a weightage of 9.11 in the consumer items.

Housing and household operation which have a weightage of 14.64 percent in the consumer goods have recorded an increase of 5 percent in the consumer price index during July-March 1981-82 against an increase of 9.7 percent during the corresponding period last year.

The increase of 3.6 percent in the wholesale price index during July-March 1981-82 is attributed to a 6.9 percent increase in food prices, 2.1 percent in fuel, lightening and lubricant prices and 1.2 percent in manufactures which has in part offset by a substantial decrease of 4.8 percent in raw material prices.

The notable items which experienced increases include wheat, rice, maize, pulses, milk, desi ghee, sugar, fish, eggs, meat, spices, salt and condiments, pol products and some manufactures like leather, cotton manufactures, silk and rayon manufactures, woolen textiles, soap, medicines, paper and cement.

The decline in the raw material prices is attributable mainly to a decline in the prices of cotton, timber, wool, hides and skins, cottonseeds, mustard and rapeseeds.

The increase in consumer prices was higher for industrial employees compared to other occupational groups.

The rise in this group during July-March 1981-82 was 8.4 percent against 7.8 percent for government employees and 7.4 percent for commercial employees.

The per capita income at constant factor cost has registered a rising trend, during the year it recorded an increase of 2.9 percent to RS. 702 at 1959-60 constant factory cost.

At current factor cost the per capita income is estimated at RS. 3,706 in 1981-82 as against 3,294 during 1980-81. This shows an increase of 12.5 percent during the year over the previous year.

With investments showing a 29.3 percent increase in the nonagricultural and non-industrial activity of the public sector and a 17.3 percent increase in similar private sector activity, the total investment during the current year has recorded a rise of 18.5 percent.

According to the economic survey, the total investment during the year has increased from RS. 40,983.0 million in 1980-81 to RS. 48,573.0 million.

While the public sector investment increased by 20.17 percent from RS. 26,824 million to RS. 32,234 million, investment in the private sector improved by 15.39 percent from RS. 14,160 to RS. 16,339 million.

The general index of share prices which stood at 128.47 in June 1980-81 increased to 134.00 in March 1981-82 showing an increase of 5.53 points.

Similarly, the aggregate market capitalisation of ordinary shares which stood at RS. 6,583.0 million in June 1981 increased to RS. 9,236.4 million in March 1982.

The number of listed companies at the Karachi stock exchange has increased from 309 during July-March 1980-81 to 313 during July-March 1981-82.

The sanctions made by PICIC, IDBP, [not further identified] etc. which are important sources of financial assistance to the private sector amounted to RS. 1,700.24 million during July-March 1981-82 compared to RS. 1,267.66 million during 1980-81.

Similarly, sanctions by NDFC [not further identified] for public sector financial institutions have increased to RS. 1,651.4 million during 1981-82 from RS. 837.6 million during 1980-81. Also the sanction accorded by the controller of capital issues for the issue of capital to companies corporations has increased to RS. 6,852.36 million during July-March 1981-82 from RS. 3,081.05 million during the corresponding period last year.

The current account deficit for 1981-82 is projected at 1,309 million dollars from the level of 991 million in the preceding year.

According to the survey, the expansion in the current account deficit is mainly attributed to the combined result of decline in the export earnings. Higher import payments and increase in the deficit of services transactions which was partly offset by increased inflow of net unrequited private transfers. For the current year the revised estimates of exports were 2,735 million dollars compared to 2,927 million dollars' worth of goods exported last year.

The import target for the year was revised to 5,754 million dollars as against 5,354 million dollars' worth of goods imported last year.

The deficit in merchandise account is estimated at 3,019 million dollars, denoting a rise of 9.2 percent over the level of 2,765 million dollars during 1980-81.

In the service transaction the deficit is estimated to increase by 116 million dollars from 459 million dollars in 1980-81 to 575 million dollars on account of higher freight and insurance charges and interest on public debt.

Aggregate receipts are estimated to increase from 945 million dollars in 1980-81 to 966 million dollars in 1981-82 while that of aggregate payments from 1,404 million dollars to 1,541 million dollars.

Net inflow under unrequited private transfers during 1981-82 is estimated to go up by 2.3 percent as compared with an increase of 17.8 percent in the preceding year from 2,233 million dollars in 1980-81 to 2,285 million dollars in 1981-82.

Under capital account the long-term capital inflow for 1981-82 is estimated at 667 million dollars compared with 581 million dollars in 1980-81 while the short-term inflows are estimated at 250 million dollars compared with 336 million dollars for 1980-81. In addition, the monetary movement (net) recorded an increase of 404 million dollars against a negative 12 million dollars in 1980-81.

Out of the estimated gross disbursement of 1,063 million dollars 600 million dollars are anticipated as projected aid while 463 million dollars as non-project aid.

Despite an increase in the net capital inflows the current account deficit is likely to be only partly offset by it. According to the survey's estimates, the current account deficit in the balance-of-payments is expected to increase by 318 million dollars and the basic balance by 232 million dollars.

Debts: as on Dec 31, 1981, Pakistan's net debt (disbursed and outstanding) is estimated at 9 billion dollars.

Even with debt relief arrangement made during 1980-81, debt service payments stood at 675 million in 1980-81 and are estimated to go up to 728 million in 1981-82 which would constitute 26.6 percent of country's export earnings and 12.2 percent of foreign exchange earnings.

The balance-of-payments type of assistance received by Pakistan from Iran, Libya, Abu Dhabi, Qatar, Saudi Arabia and OPEC amounted to 1,301.9 million dollars during the period 1973-74 to March 1982.

The rupees generated by these assistance were utilised to finance development projects and programmes.

Efforts to attract equity participation and loans for financing important high-priority projects in Pakistan from Middle East countries have also met with success, total assistance received from these sources up to March 1982 amounted to 2,164.5 million dollars.

CSO: 4220/72

GOVERNMENT MOVE TO CENSOR FILM EDITIONS, WOMEN'S PHOTOS CRITICIZED

GF101025 Karachi DAWN in English 6 Jun 82 p 5

[Editorial: "A Non-Existent Moral Issue"]

[Text] One may be in sympathy with the Ministry of Information's concern over the need to discourage the exploitation of sex and what it calls "glamorisation" of women in the print media. But whether the right method of doing so is to require the newspapers to discontinue the publication of separate film editions and to stop printing even the pictures of female film stars is open to question. In fact, some sections of organised opinion, including those of the film industry and one of the women's rights, have taken strong exception of the move, arguing, quite convincingly, that far from serving any useful purpose, the action will unduly restrict the legitimate projection of the performance and personalities of the film industry which is desperately in need of aid and encouragement for its survival. The fact that the All-Pakistan Newspapers Society and the council editors have concurred with the Information Ministry's decision does not make it any more logically sound and acceptable than it intrinsically is. Nor does it diminish some of the vital implications the proposed ban on film editions and printing of photographs of film actresses carries.

What is fit to print and what is not is a matter which involves the exercise of editorial judgment. It should stay that way. Journalism can serve the public cause best by being free to rely upon and develop its innate sense of responsibility. The decision in question seems to have ignored this basic issue for reasons which are not readily understandable. The principle, it must be emphasised, is not an obsession with certain established newspapers. Nor is it a fad of some old-fashioned newsmen still left in the field of journalism to carry the banner of the rules and principles that once were implicitly accepted. The principle has an institutional basis and is fundamentally important to the working of newspapers as a national institution. What is more, the use of discretion that this principle implies is not an absolute one; it operates within the limits prescribed by the law, within the parameters of the moral and ethical values a society holds dear and, of course, in conformity with the policy a particular newspaper follows. A newspaper is, therefore, answerable in law and answerable before the bar of public opinion. Certain things a newspaper publishes may not

attract the mischief of the law, but the newspaper, even if its innate sense of responsibility is weak, has to be mindful lest it should invite the moral censure of its readers for the manner in which it uses its editorial judgment.

Given these implicit restraints as well as the fact of answerability under the normal laws, it is difficult to understand why an extraordinary step like an outright ban on separate film editions and printing of pictures of female film stars has been considered necessary at all. If the purpose is to prevent the printing of pictures and material which are not in good taste and which are likely to offend public morality, the government has other options for promoting the intended purpose. One is to take up the matter with the newspaper publishers and editors collectively to impress upon them the need for observing the norms of decency and moral discernment in publishing pictures and material concerning the film industry. Another option is to remonstrate with publications as and when any of these are found deviating from the norm. As a last resort, the government could decide to prosecute papers guilty of repeated transgressions of the law against obscenity in print. In fact, the Obscene Publications Act of 1925, together with the section 292 of the Pakistan penal code, provides a fairly comprehensive legal framework for dealing effectively with lapses involving the publication of material likely to promote immorality and depraved taste.

The particular course of action the Ministry of Information has thought fit to adopt relies on the invocation of executive sanction. Because this is something that has to be imposed from above, the normal function of the exercise of editorial judgment from within stands suspended. Likewise, the other sanction provided by the popular disapproval of vulgarity and prurience is rendered redundant and inoperative. Besides, insofar as it stipulates almost a blanket ban on the pictures of female film artistes, regardless of their merit, it involves questions and paradoxes which are bound to create a lot of confusion and misgivings, especially about the future of the film industry and no less about television which is a government-controlled medium. It would be hard to explain, for instance, why the printing of pictures of female artistes is to be regarded as constituting a threat to public morals when the artistes themselves are considered eligible for state honours--pride of performance awards, annual TV awards and so on--for outstanding performance or for contributions of exceptional merit to the particular branches of performing arts they may belong to. Again, how is it that pictures of female artistes are to be kept out of the pages of newspapers and periodicals, presumably because they are thought to be a source of moral corruption and obscenity, while films and TV programmes featuring the same artistes can be viewed and appreciated as acceptable forms of entertainment--without being assailed by a sense of moral guilt? The contradiction is too apparent to gloss over. In this particular case, the question of public morality has somehow been overstretched to justify a course of action which is both sweeping and arbitrary. Since the action does not make any distinction between pictures of artistic merit or news value and those that are lacking in good taste, but treats all pictures of film actresses as anathema, the proposed ban may well be judged as discriminatory, reflecting a strong bias against women belonging to a particular class.

The purpose here is not to de-emphasise the importance of legal as well as moral sanctions against all forms of obscenity and moral corruption. Indeed, it would be against the grain of the basic moral and social values of a Muslim society to advocate a too lenient or tolerant view of permissiveness or the exploitation of women as sex objects. These tendencies and aberrations have naturally to be fought wherever they are found, but in doing so, a proper distinction has to be observed between what is plainly vulgar and immoral and what belongs to the genre of artistic expression. Where film editions or cinema sections of newspapers are concerned, they do no more than present what is going on in the film industry through reports, comments, features, interviews and so on. It is difficult to see, as the proposed restrictions seem to imply, how they incur any particular moral liability by discharging this function, which most newspapers and periodicals do objectively and responsibly. There may, of course, be some exceptions indicating a propensity towards prominently printing and displaying stories and pictures of dubious cinematic merit--some of them lacking in good taste. As we have said before, these isolated instances can be taken care of by means of warnings and, where necessary, by recourse to the normal legal means. But the basic position is that the record of film coverage in newspapers has been by and large healthy and professionally-oriented and cannot be faulted on moral or ethical grounds. In any case, the taint of a few isolated instances cannot provide the justification for imposing a blanket ban and restrictions of the kind the Ministry of Information has prescribed for all newspapers. The step is uncalled for and we earnestly hope that the government would reconsider the whole matter. In doing so it would be letting sound editorial judgment and the weight of opinion of the moral majority prevail. This, we are sure, will over a period of time, offer the strongest defences against infractions of morality and decency in print.

CSO: 4220/66

GROWING USE OF ANGLICIZED URDU SHOWS LACK OF NATIONAL IDENTITY

Lahore CHATAN in Urdu 3 May 82

[Article by Dr Sayyid Abdullah: "Englurdu: the New Devilish Language of Pakistan"]

[Text] Two experts on society--Ibn Khaldun and Toynbee--agree that slavery is the wretched state that deprives otherwise normal individuals and groups of their ego and identity. Its most reprehensible aspect is that the conquered nations regard the odious and slavish imitation of their conquerors as a source of pride and honor. Although the conquerors may regard this manifestation of inferiority with a contemptuous smile, they dislike their slaves for distorting their culture. Toynbee called it "Babu culture" or "Babu mentality." The other scholar, Ibn Khaldun, called it a natural phenomenon that manifests itself when the aping societies lose their identities, and begin to represent outsiders, and look upon the imitation of the alien's overt actions as proof that they have mastered the conquering nation's skill; whereas, in fact, achievement and progress result from Khaldun's "Asabiyya" [social cohesion] or Iqbal's "Khudi" or the strength of the "self" or "ego."

It is not necessary to elaborate further upon this principle which is self-evident. If not all of Iqbal's poetry, then certainly nine-tenths of it is devoted to the analysis and elaboration of this principle. I am writing now because I have something to say about the ludicrous contrasts existing in Pakistan's present-day society, especially as regards language. I could say something here about Anglo-Mohammadanism, but I really intend to write about the adulterated and incomprehensible composition of this current Islamic society in which the traditional distance between "the religious sanctuary and the wine-seller's shop" seems to be shrinking. At present I want to write about a strange language which is gaining rapid acceptance, less on the government level, but more on the private social level.

I call this language Englurdu or Engli-Urdu: it is similar to the special language that came into existence during the time of the East India Company called "Hobson Jobson," much to the distress of English language purists. The reason for the anger of those who wanted their English to remain pure was that, under the demands of administration, Indian terms were creeping into the English of Englishmen connected with India, thus not only injuring the concept of the

"King's English," but also the English image on the strength of which the British ruled India. The devices that the English resorted to in order to preserve their individuality and identity are described in John Carey's [sic] book, "Good Old Days Of John Company." "Hobson Jobson" English was regarded as the first sign of the decline of power.

I think that, if not the sign of the decline of power, Engli-Urdu or Englurdu is certainly a sign of the decline of that sense of cohesion on the strength of which we forced Hindu nationalism to accept our separate identity. We had objected to the Vidya Mandir Scheme (and even to the use of the word Hindustani) because we feared that non-Urdu (that is, Sanskrit) words and words from other Indian languages would infiltrate, harming Urdu's identity. There was a real possibility that this would happen. We had at one stage identified Urdu as representative of our Muslim identity, and we regarded the corruption of Urdu with foreign elements as inimical to our national identity.

But the passage of time teaches one many lessons. The language that only yesterday was regarded as the proud sign of our national identity has fallen on such hard times and is being treated so shabbily that the written or spoken word cannot express its sad state. Words have lost their power, and the pen has become helpless to point out the shame of this spectacle. Were Altaf Husan Halli alive today, he would have written a "Complaint for Urdu," and a poet like Iqbal would have replied with "Answer to the Complaint," and mourned this insult to our identity. The strange aspect of all this is that "nationalism" continues to be drummed up, and "Shikva-e-Hind" ("Complaint of India") is also regularly recited. The exploitation of the cry of "nationhood" is a lesson in itself: the poet has expressed the situation best in this couplet: "In the excess of zeal, what we took to be our final destination turned out to be only the dust of the caravan."

Talking of the caravan's dust, the disease of English-worship has infected the whole of society. Up to now, we had complained of bureaucracy which we thought was the embodiment of Macaulayism. We blamed the authorities and criticized them. But now we find that even those who know no English, (though thanks to English becoming the medium of instruction, even the untutored can read up to the level of "Baa baa black sheep"), and cannot figure out the English alphabet, are using English names for their shops, factories, firms, houses and streets. The same people who could not tolerate a few words of Hindi, (and rightly so), are now utilizing in their business life tons of English without any cause or reason, and not feeling their nationhood threatened in any way. Pass through any street in Lahore, and you will see the influence of the East India Company blazoned forth from every shop, from the cleaner's, the barber's, the tailor's to the grocer's. The English must be repenting of ever having left. They must be thinking, "Here we see all around us such love (to the point of madness itself), and we were foolish enough to regard these people as strangers, and to have decided mistakenly to leave." As the couplet says, "What we thought was a hurricane turned out to be our own home."

The question is, why does a grocer's shop need an English name? Is it nuclear science that English terminology has to be perforce used?

There is really no end to the problem. On every side, people are busy patching themselves with bits and pieces of tasteless English. Strange words have crept into our language, betraying our inability to express ourselves. "Complaint cell," "briefing," "focus," "suite," etc. etc., all these American slang words and phrases are becoming part of every educated and uneducated person's vocabulary, and taking the place of their mother tongue. The reasons for this are first, the decline of Arabic and Persian; second, the decline of national feelings; third, Anglo-Mohammadanism; fourth, lack of ambition and laziness; no one wants to look up the correct Urdu word.

All over the country, large firms and business organizations have taken English names; these long names, when written in Urdu, sound ludicrous. (As I do not wish to harm anyone, I will not cite any examples.) The true flavor of pidgin Urdu or 'Pink Urdu' emerges in the advertisements published in Urdu by these firms, as for example, in this one: "The Pharmaceutical and Surgical Institute (gazetted) hereby notifies those companies to whom advance premium payments have been credited, that to save themselves from overdue payments, they should cash their installments, within the time limit, through the Sun Life Insurance Company of Pakistan and Abroad, and send their payments together with their affidavits to the Central Office (Plaza Avenue, Liberty Market, Lane No. 40). This will save the other parties inconvenience and not disturb the arrangements. This notice should be regarded as a final warning, etc. etc." [The majority of the English words in this passage are reproduced in Urdu script.]

God save us! Is this the exalted Urdu for which we fought so long, and for which so many people made the utmost sacrifice? Government bureaucracies save themselves from criticism by citing administrative privilege; but even businessmen are now flying high. They should remember that wealth is a transitory phenomenon, and should fear the day when all this play will come to an end. It seems that these individuals are not satisfied even with all their wealth (and foreign spices with which to digest their gains). To realize what the future holds in store for them, they should study Sura-e al-Takathur in the Holy Koran. The breaking of pledges made to God and the Muslims during the struggle for Pakistan will eventually bring down punishment.

Political parties are no better in this respect. Everyone knows the old names; but when a new party is launched, it flies on the wings of English. An alliance of parties was recently formed which was called M. R. D. When students and employees in general name their organizations, they receive inspiration from English alone. The abbreviations of these names are something else again: government abbreviations of L. D. A., K. D. A., WAPDA WASA (to rhyme with Urdu 'had howasa' "nerve wracking"). There is no limit to these words. It seems to me that the entire population is out-Englishing the English, while brazenly calling Urdu their national language.

All these things are manifestations of the mentality against which Akbar, Shibli and Iqbal had raised cries of protest. But the elders of the time did not believe that this would be the eventual result of Macaulayism: that a new race of black Englishmen would come into existence, who would turn away with disgust from indigenous and national names and words, and use the vestigial language of slavery, not only in science, which is after all on a higher plane, but in all common affairs of life, and consider this sign of slavery as a mark of honor. Perhaps this is a natural trait handed down from the times of the Greeks, but it does offer historical proof of Macaulay's influence.

The object of this discussion is to point out that this new trend, (which is becoming part of the natural habits of the people), is destroying whatever is left of the dignity of Pakistani nationalism and identity, and is unmasking everyone.

It would not be irrelevant to point out again the fact that a nation's life is linked to the strength of its identity (or in Khaldun's terminology, its social cohesion). Geographical borders do not defend themselves; their protection depends on the right idea's, and unfortunately, these ideals have become weak.

In conclusion, I would suggest that if the people of Pakistan are really disgusted with Urdu and are determined to adopt English as their mother tongue, then the farce of Urdu being called the national language should be ended. They should openly declare that they are English, and that whether the real English accept them or not, they would continue to regard themselves as English. In any case, the whole matter should be settled without ambiguity. As the poet Sarmad says: It is necessary, O Sarmad, to be brief; and to gather all problems into. Either one should accept authority, or increase one's ability to ignore it.

9863

CSO: 4203/127

BRIEFS

YAQUB KHAN IN GENEVA--The UN-sponsored indirect talks on Afghanistan begin in Geneva today. Pakistan's Foreign Minister Sahabzada Yaqub Khan arrived in Geneva from Washington yesterday to take part in the talks. He said that Pakistan was approaching the talks with a spirit of sincerity because it attached great importance to the Afghanistan problem. He told Pakistani newsmen that both the Soviet foreign minister and the American secretary of state had wished well for the talks. Gromyko expressed the hope that these talks would lead to a reduction of tension in the region and produce constructive results. Haig said that he would be following with interest the progress of these talks. According to the latest schedule of talks issued by the United Nations, Pakistan's foreign minister will be the first to meet Diego Cordovez to start talks. Foreign minister of the Karmal regime in Afghanistan, Shah Mohammad Dost, will call on the UN secretary general's personal representative this afternoon. [Text] [BK160356 Karachi Domestic Service in Urdu 0200 GMT 16 Jun 82]

YAQUB KHAN MEETS WEINBERGER, SENATORS--Foreign Minister Yaqub Khan held talks with U.S. Defense Secretary Weinberger in Washington yesterday. The meeting lasted for 1 hour. Official sources said Weinberger highly commended Pakistan's stand on the Afghanistan issue. Sahabzada Yaqub Khan briefed the U.S. defense secretary on the tripartite and indirect talks to be held in Geneva under UN auspices. During his meeting, the foreign minister exchanged views on the current situation in the Middle East and Asia and informed the American leader about Pakistan's viewpoint on Israel's unprovoked aggression against Lebanon and its consistent violence against the Arabs. Sahabzada Yaqub Khan said that bilateral issues between Pakistan and the United States are being resolved in an atmosphere of mutual understanding. The U.S. defense secretary was also told that Pakistan desires a resumption of talks to develop relations with India. The Pakistan foreign minister held separate meetings with Charles Percy, chairman of the Senate Foreign Relations Committee and Charles Mathias, chairman of the Senate Foreign Relations Subcommittee on international economic policy. [Text] [BK150349 Karachi Domestic Service in Urdu 0200 GMT 15 Jun 82]

YAQUB KHAN MEETS BUSH--Pakistan Foreign Minister Sahabzada Yaqub Khan called on U.S. Vice President George Bush in Washington yesterday. Views were exchanged on major world issues during the talks. Later the foreign minister told the Associated Press of Pakistan that he apprised the American

vice president of Pakistan's viewpoints expressed at the recent nonaligned conference at Havana. On the Middle East crisis, the foreign minister told the American leader that Pakistan understands that Israel's aggressive adventurism, expansionism and its barbaric steps against Lebanon have created a serious danger for the Middle East and the world peace and that Israel's contemptible action will have far-reaching consequences for the entire region. They also exchanged views on the Afghanistan situation. Sahabzada Yaqub Khan also informed Bush about Pakistan's efforts in connection with ending the Iran-Iraq war through Islamic Ummah Peace Committee. During the talks George Bush reiterated that the United States desires preservation of Pakistan's sovereignty and its independence. He said that Pakistan is a factor of stability in the region. Sahabzada Yaqub Khan conveyed to George Bush good wishes on behalf of President Mohammad Ziaul Haq. In response, Bush also expressed similar feelings. [Text] [BK120618 Karachi Domestic Service in Urdu 0200 GMT 12 Jun 82]

Yaqub Khan Meets with Haig--Foreign Minister Sahabzada Yaqub Khan has had a meeting with the American secretary of state in Washington on the question of Afghanistan and the current Middle East situation, particularly the unprovoked Israeli aggression against Lebanon. Later, the foreign minister told the Associated Press of Pakistan [APP] that he informed Haig that Pakistan will pursue a policy of political settlement of the Afghan crisis at talks in Geneva in the framework of the resolutions of the Organization of the Islamic Conference and the United Nations on the subject. AFP quotes an official source as saying, while discussing the Afghanistan issue, Haig expressed his total admiration for Pakistan's courageous stand on Afghanistan. [Text] [BK151100 Karachi Domestic Service in English 1005 GMT 15 Jun 82]

CSO: 4220/66

BRIEFS

CAMPAIGN AGAINST NPA SYMPATHIZERS—Constabulary and police operatives in Western Visayas have pressed their campaign against lawless groups in the hinterlands. Defense Minister Juan Ponce Enrile was briefed on the renewed activities of these subversive elements during his recent visit in Iloilo City. Since then task force (Panai) and other patrol teams of the military police and civilian home defense force have raided the lairs of New People Army sympathizers in Barangays (Stuno), (Pitak), (Kulasi) and (Tike).

[Excerpt] [OW141347 Quezon City RPN Television Network in English 1100 GMT 14 Jun 82]

CSO: 4220/68

THIRD TERRORIST FORCE SEEN EMERGING IN JAFFNA

Colombo THE ISLAND in English 31 May 82 p 1

[Article by D.B.S. Jeyaraj]

[Text] Police suspect that a third terrorist force is now operating in Jaffna

The recent killing of two youths at Alaveddy has added a new twist to the pattern of killings in Jaffna, a Police spokesman said.

Investigations indicate that a third terrorist force is now operating in Jaffna. This force is said to be independent of the earlier groups of Uma Maheswaran and Prabhakaran, he said.

Police sources told 'The Island' that although they believed earlier than the Alaveddy killings were a backlash to the feud between rival groups in India, they are now having second thoughts about it.

The weapons used by the killer the Police said, were sophisticated and never found in Sri Lanka before.

A top security official told 'The Island' that they had information of a new gang of terrorists in the North. This group is said to be financed by Tamil expatriates in the U.S.A., U.K. and France. This group, which is said to be having left-wing connections, is suspected of being behind a student organisation and a periodical published in Jaffna.

Another factor worrying security personnel is the possibility of foreign trained men joining this group.

The problem before them, the Police said, was to ascertain the objectives and affiliations of the new group.

Police sources said that a political connotation, too, had been added to the Alaveddy killings. The recent anti-TULF feeling in Jaffna is being scrutinised by the Police as they believe that this could yield relevant information on the killings as well as the emergence of a new group.

Police sources said that the Alaveddy killings could not possibly be a clash between the supporters of Uma Maheswaran and Prabhakaran as in the present situation the possibility of them lying low was greater.

The speeches made by Iraikumaran and Umaikumaran at a community centre meeting and their possible role in university demonstration are being carefully studied by the Police at present.

BRIEFS

PROBE OF FOREIGN PAYMENTS--Parliament, sitting in extended session last night after standing orders were suspended, decided to appoint a select committee on a matter raised by the second member for Harispattuwa, R.P. Wijesiri. Wijesiri had alleged that sometime in July last year a vehicle from a foreign organization had delivered six sacks, presumably containing money, at the Colombo residence of Mrs Sirimavo Bandaranaike. The resolution to appoint a select committee moved by the minister of Parliamentary Affairs was carried by a majority of 98 votes. One hundred and six members voted for the motion and six against it. According to the prime minister, the government had thought it necessary to introduce the motion and support its acceptance by the house after careful analysis of various circumstances connected with the dramatized personnel involved in principle. [Sentence as heard] The prime minister also spoke of the importance of the inquiry in the context of the gravity of the allegation which reflected on the country's independence and sovereignty. [Excerpts] [BK111157 Colombo International Service in English 1045 GMT 11 Jun 82]

FLOODS LEAVE 200,000 HOMELESS--Flood waters have rendered more than 200,000 people destitute in the Ratnapura, Kalutara, Galle and Matara districts with the largest concentration of the homeless at Ratnapura. Twenty-five thousand families have been affected in the Ratnapura district with damage caused to 4,000 dwellings. Secretary to the Ministry of Social Services T.C. Gunasekara, who made an on-the-spot assessment of flood damage in the Ratnapura district yesterday, said that there had been four major earth slips and four threatened earth slips. The latest report put the death toll at 12. Reports indicate that the flood waters are now receding. [Excerpts] [BK111217 Colombo International Service in English 1045 GMT 11 Jun 82]

NEW AMBASSADOR TO PHILIPPINES--N.M.M.I. Hussain has been appointed ambassador extraordinary and plenipotentiary of Sri Lanka to the Republic of Philippines in succession to Francis W. Wanigasekera, states a press communique from the Ministry of Foreign Affairs. [Text] [BK091229 Colombo SUN in English 2 Jun 82]

INVESTMENT PROTECTION AGREEMENT WITH ROMANIA--A Sri Lanka-Romania investment protection agreement, the first such agreement with a socialist country, entered into force on 3 June with the exchange of instruments of ratification at a simple ceremony held at the office of the secretary to the president. The instruments were exchanged between the secretary to the president on behalf of Sri Lanka and the Romanian charge d'affaires on behalf of Romania. The agreement was signed in Bucharest in February 1982 during the visit to Romania by minister of finance and planning. [BK091229 Colombo International Service in English 1045 GMT 4 Jun 82]

CSO: 4220/69

TRADE WITH EAST BLOC GIVING NEW STIMULUS TO ECONOMY

Stockholm DAGENS NYHETER in Swedish 2 Jun 82 p 8

[Report by DAGENS NYHETER correspondent Wolfgang Hansson]

[Text] Bangkok, May--Thailand is looking for new ways to improve its economy. The United States, Japan, and West Europe are no longer alone at the top of the trade statistics. In a few years the Soviet Union has climbed to fifth place as buyer of Thai products. That the trade with the East Bloc is now beginning in earnest is also shown by visits of Russian and Romanian trade delegations.

During last year the Soviet Union bought nearly 2.5 billion kronor's worth of Thai goods, mostly agricultural products.

The increased trade comes at a time when political relations between the countries are not the best. Thailand is accusing the Soviet Union of being indirectly behind the Vietnamese presence in Kampuchea. It feels threatened by having Vietnamese troops so near Thai territory. In the situation, Thailand has drawn closer to China.

Japanese Loan

For the Russians, trade with Thailand in the past has been a very poor affair from the point of view of the national economy. During 1981 Thailand bought only 80 million kronor's worth of Soviet goods. The Soviet Union and the other East Bloc states are among the few countries with which Thailand has a trade surplus. With the Western World an always large and increasing trade deficit prevails.

Recently the Thai government has been more and more concerned about the increasing deficit in the balance of trade. Late last year Prime Minister Prem Tinsulanonda went first to the United States and the later to Japan with big trade delegations.

The visits were primarily for two purposes. First, to get the two industrial countries to buy more Thai products, and second, to show the business men in the west that Thailand is now a country with a stable political climate where

foreign firms can establish themselves without fear of being unable to get a return on their investments.

Japan promised to import more from Thailand and also to give the country a loan of 325 million kronor for a natural gas project. Thailand is also the biggest recipient of Japanese aid.

The visit to the United States, however, was described by several Thai appraisers as "less successful."

Reagan's Views

Relations with the United States have not been exactly frictionless since Prem's visit, either. In January of this year Thailand protested strongly against the United States' sale of tin from its buffer stock on the world market.

The Thai got little balm for their wounds by being included in Reagan's new insistence on replacing parts of the state aid to development with "support" from private firms.

There is no doubt that foreign firms have now discovered the investment object Thailand as an alternative to Singapore and Malaysia. The wages are still low, and in spite of all the problems of the economy, in recent years the country has had a growth rate of 6 to 7 percent a year. There is a good labor supply. That has meant that wages could be kept down in spite of the fact that the country has a legally established minimum wage, a law that many firms do not care for.

The inflation was 17 percent last year, but that is not a high figure for a Third World country.

No Headway

Enumeration of positive factors notwithstanding, there has been no real headway in establishment of foreign firms in Thailand. Recently the Thai investment council sounded a warning that many investment projects were being greatly delayed or even withdrawn altogether in spite of having gotten state approval.

"This trend is all the more disturbing in that it has recently increased noticeably," says Somporn Punyagupta, head of the investment council. "It is normal for some projects to encounter problems, but today the number is abnormally high."

An important cause of the problems, as the Thai themselves admit, may be the lack of cooperation between various public agencies that deal with foreign establishments.

Somporn gives another cause that certainly must have great significance--the tax system.

Great Corruption

"The Thai tax system still does not give foreign firms adequate incentive to invest in the country. The rules are not uniform enough."

Another factor is the widespread corruption among state officials. That scares off many firms, especially those which are not accustomed to doing business in the Orient.

With all due respect to foreign investments, agriculture is the foundation on which the Thai economy rests. The most important export commodity is rice, closely followed by cassava (a root crop) and sugar. For the last 2 years harvests have been very good. This has had the consequence, however, that prices have dropped on the world market, so that the farmers are not as well paid for their products.

Like many other developing countries, the constantly increasing oil prices have caused problems for Thailand. Some 40 percent of the income from exports goes into the purchase of oil. There is a bright spot on the horizon, however. The country is already getting natural gas from the Gulf of Siam, and oil has also been found. Optimistic appraisers say that within the not too distant future Thailand will be practically self-sufficient in the energy field.

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